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REGULAR MEETING AGENDA OF THE COMMUNITY HOUSING DEVELOPMENT AUTHORITY OF THE TOWN OF FRISCO

FRISCO TOWN HALL
1 MAIN STREET
FRISCO, COLORADO 80443
JULY 14, 2026
7:15 PM

Call to Order:

Roll Call:

Public Comments:
Public Comment is reserved for items not slated for a public hearing on the meeting' s agenda. If you plan to comment on an item already slated for a public hearing later on the meeting's agenda, please wait until that item is announced and public comment is requested at that time. State your name and address for the record, and limit comments to three minutes or less. No action is taken on Public Comments at meetings. Public Comments are taken under advisement, and if a response is deemed necessary or appropriate, the individual making the comment will receive a formal response from the Town at a later date. Be sure to sign in at the Welcome Table at each meeting if providing in person Public Comment, and include contact information for follow up communication.

Commissioner Comments:

Staff Updates:

Consent Agenda:

Consideration & Possible Approval of Minutes from December 9, 2025 Meeting

Consideration & Possible Approval of Minutes from June 29, 2026 Meeting

New Business:

Agenda Item #1: Consideration and Possible Approval of Subordination and Standstill Agreements between Cedar Rapids Bank and Trust Company, the Frisco Community Housing Development Authority and West Main Apartments, LLLP, concerning the Authority's Loan to West Main Apartments, LLLP (101

West Main Street)

Agenda Item #2: Consideration and Possible Approval of Subordination Agreement between US Bank, the Frisco Community Housing Development Authority and West Main Apartments, LLLP, concerning the Authority's Loan to West Main Apartments, LLLP (101 West Main Street)

Agenda Item #3: Consideration and Possible Approval of a Revised Deed of Trust Agreement for the Strong Communities Loan from the Frisco Community Housing Development Authority to West Main Apartments, LLLP (101 West Main Street)

Agenda Item #4: Consideration and Possible Approval of Resolution FCHDA 26-01: A RESOLUTION APPROVING AN ADDENDUM TO THE AMENDED AND RESTATED AGREEMENT OF LIMITED LIABILITY LIMITED PARTNERSHIP OF WEST MAIN APARTMENTS LLLP, TO ALLOW THE FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY TO ACQUIRE A SPECIAL LIMITED PARTNERSHIP INTEREST IN WEST MAIN APARTMENTS LLLP, IN ORDER TO FACILITATE AN AFFORDABLE HOUSING DEVLOPMENT TO BE CONSTRUCTED AT 101 WEST MAIN STREET

Adjourn:

Estimated Start Times for items are estimates only - it is recommended to arrive early if there is a particular item of interest on the Agenda, should the Council be running ahead of schedule. Town Council Agendas can legally be amended up until 24 hours prior to the beginning of the scheduled meeting.

Questions: Stacey Campbell, Town Clerk | townclerk@townoffrisco.com | (970) 668-5276

TOWN OF FRISCO
COLORADO

RECORD OF PROCEEDINGS – MINUTES

FRISCO COMMUNITY DEVELOPMENT HOUSING AUTHORITY
FRISCO TOWN HALL, 1 MAIN STREET, FRISCO, COLORADO 80443
DECEMBER 9, 2025
IMMEDIATELY AFTER TOWN COUNCIL MEETING - NOTICED FOR 7:15PM

Call to Order:
Chairperson Held called the Meeting to order at 7:52PM.

Roll Call:
Roll called by Town Clerk Stacey Campbell at 2:58PM.
Rick Ihnken – ABSENT (IN-PERSON) – Chair
Andy Held – PRESENT (IN-PERSON) – Vice Chair
Elizabeth Skrzypczak-Adrian – PRESENT (IN-PERSON)
Martin Allen – PRESENT (IN-PERSON)
Robyn Goldstein – PRESENT (IN-PERSON)
Dan Kibbie – PRESENT (IN-PERSON)
Thayer Hirsh – PRESENT (IN-PERSON)

Public Comment:
Commissioner Held opened the floor for Public Comment, seeing none, closed Public Comment and moved onto the Consent Agenda Approval.

Commissioner Comments:
None.

Staff Updates:
None.

Consent:

- Minutes from October 28, 2025 Meeting

MOTION: COMMISSIONER SKRZYPCZAK-ADRIAN MOVED TO APPROVE THE CONSENT AGENDA, SECONDED BY COMMISSIONER ALLEN.

VOTE:

HELD	YEA
IHNKEN	YEA
SKRZYPCZAK-ADRIAN	YEA

RYAN	YEA
KIBBIE	YEA
GOLDSTEIN	YEA
ALLEN	YEA

MOTION: PASSED AT 7:54PM

New Business:
Agenda Item #1: Consideration and Possible Approval of Resolution FCHDA25-04: A RESOLUTION EXPRESSING THE INTENT OF THE FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY ENTERING INTO A CONSTRUCTION AGREEMENT FOR 101 WEST MAIN WORKFORCE HOUSING INFRASTRUCTURE CONSTRUCTION MANAGER GENERAL CONTRACTOR (CMGC) WITH MARTIN-HARRIS

Chairperson Ihnken read the item into the record and opened the Public Hearing at 7:55PM.

Capital Projects Senior Manager Addison Canino explained the background behind the 101 West Main Street project, and the necessity to review and approve this document in order to complete the affordable housing project. Addison mentioned that for the most part, the model will follow the 602 Galena Street project, with some differences. He noted that this includes the infrastructure except sewer.

Town Attorney presented the item, explained the legal purpose of the document, why the Frisco Community Housing Development Authority (FCHDA) needs to approve the document, and offered to answer any questions.

Chairperson Held opened Public Comment, seeing none, closed Public Comment at 7:57PM.

MOTION: COMMISSIONER ALLEN MOVED TO APPROVE THE ITEM, SECONDED BY COMMISSIONER RYAN.

VOTE:

ALLEN	YEA
HELD	YEA
IHNKEN	YEA
SKRZYPCZAK-ADRIAN	YEA
RYAN	YEA
KIBBIE	YEA
GOLDSTEIN	YEA

MOTION: PASSED AT 7:58PM

Adjourn:
COMMISSIONER ALLEN MOVED TO ADJORN, REMAINING COMMISSIONERS UNANIMOUSLY AGREED, MEETING ADJORNED AT 7:58PM.

Respectfully Submitted,

Stacey Campbell
Town Clerk

FRISCO
SEAL
SUMMIT COUNTY COLORADO

RECORD OF PROCEEDINGS – MINUTES

FRISCO COMMUNITY DEVELOPMENT HOUSING AUTHORITY
FRISCO TOWN HALL, 1 MAIN STREET, FRISCO, COLORADO 80443
JUNE 29, 2026
IMMEDIATELY AFTER TOWN COUNCIL MEETING - NOTICED FOR 2:15PM

Call to Order:
Chairperson Ihnken called the Meeting to order at 2:58PM.

Roll Call:
Roll called by Town Clerk Stacey Campbell at 2:58PM.
Rick Ihnken – PRESENT (IN-PERSON) - Chair
Elizabeth Skrzypczak-Adrian – PRESENT (IN-PERSON) – Vice Chair
Andy Held – PRESENT (IN-PERSON)
Martin Allen – PRESENT (IN-PERSON)
Robyn Goldstein – PRESENT (IN-PERSON)
Dan Kibbie – PRESENT (IN-PERSON)
Thayer Hirsh – PRESENT (IN-PERSON)

Public Comment:
Commissioner Held opened the floor for Public Comment, seeing none, closed Public Comment and moved onto the Consent Agenda Approval.

Commissioner Comments:
None.

Staff Updates:
None.

Consent:
No items.

New Business:
Agenda Item #1: Consideration and Possible Approval of Addendum to Amended and Restated Agreement of Limited Liability Partnership of West Main Apartments LLLP (101 West Main Street)

Chairperson Ihnken read the item into the record and opened the Public Hearing at 3:00PM.

Town Attorney presented the item, explained the legal purpose of the document, why the Frisco Community Housing Development Authority (FCHDA) needs to approve the document, and offered to answer any questions.

Chairperson Ihnken opened Public Comment, seeing none, closed Public Comment at 3:01PM.

MOTION: COMMISSIONER SKRZYPCZAK-ADRIAN MOVED TO APPROVE THE ITEM, SECONDED BY COMMISSIONER ALLEN.

VOTE:

GOLDSTEIN	ABSENT
HELD	YEA
HIRSH	YEA
SKRZYPCZAK-ADRIAN	YEA
IHNKEN	YEA
ALLEN	YEA
KIBBIE	YEA

MOTION: PASSED AT 3:04PM

Agenda Item #2: Consideration and Possible Approval of Strong Communities Loan from the Frisco Community Development Housing Authority to West Main Apartments, LLLP, for an affordable housing project at 101 West Main Street, including: the Promissory Note and Leasehold Deed of Trust (101 West Main Street)

Chairperson Ihnken read the item into the record and opened the Public Hearing at 3:04PM.

Town Attorney presented the item, explained the legal purpose of the document, why the Frisco Community Housing Development Authority (FCHDA) needs to approve the document, and offered to answer any questions.

Finance Director Leslie Edwards provided background and clarification surrounding the Strong Communities Loan, especially the background behind the Grant from the State of Colorado Department of Local Affairs (DOLA).

Chairperson Ihnken opened Public Comment, seeing none, closed Public Comment at 3:06PM.

MOTION: COMMISSIONER SKRZYPCZAK-ADRIAN MOVED TO APPROVE THE ITEM, SECONDED BY COMMISSIONER ALLEN.

VOTE:

KIBBIE	YEA
GOLDSTEIN	ABSENT
HELD	YEA
HIRSH	YEA
SKRZYPCZAK-ADRIAN	YEA
IHNKEN	YEA
ALLEN	YEA

MOTION: PASSED AT 3:06PM

Adjourn:
COMMISSIONER HELD MOVED TO ADJORN, REMAINING COMMISSIONERS UNANIMOUSLY AGREED, MEETING ADJORNED AT 3:07PM.

Respectfully Submitted,

Stacey Campbell
____
Stacey Campbell
Town Clerk

FRISCO SEAL SUMMIT COUNTY COLORADO

STAFF REPORT

TO:	**THE FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY**
FROM:	**JAMES GORHAM, ECONOMIC DEVELOPMENT MANAGER** **THAD RENAUD, TOWN ATTORNEY**
RE:	**SUBORDINATION AND STANDSTILL AGREEMENTS WITH CEDAR RAPIDS BANK AND TRUST COMPANY FOR 101 WEST MAIN**
DATE:	**JULY 14, 2026**

Summary & Background:

Town staff are bringing forth two Subordination and Standstill Agreements for 101 West Main Street, between Cedar Rapids Bank and Trust Company (Senior Lender), the Frisco Community Housing Development Authority (Subordinate Lender or the Authority), and West Main Apartments LLLP (Borrower), for the affordable housing project located at 101 West Main Street for Town Council consideration.

The Town of Frisco (Town) (and more recently the Authority) has been working with the NHP Foundation (NHPF) since staff from NHPF approached Town staff and Council on affordable housing opportunities in Frisco. The mission of NHPF is to "preserve and create sustainable, service-enriched multifamily housing that is affordable to low- and moderate-income families and seniors, and beneficial to their communities." This mission aligns with the Council's strategic plan to support a thriving economy by increasing workforce housing and enhancing community inclusivity by offering a variety of housing types to support year-round residents.

The Town and the Authority are currently working with NHPF on two affordable housing projects, located at 101 W Main and 602 Galena. Recognizing the strong need for all housing types and rental rates within Frisco, the Town has focused on ensuring that the two projects provide a range of affordable housing options to the community.

The 101 W Main project is projected to move forward in 2026 with 52 rental units at an income range of 30%, 50%, & 80% of the Summit County Area Median Income.

Analysis:

The agreement confirms that the Authority's loan (of approximately 1.05 million dollars) to West Main Apartments, LLLP, that was approved at the last meeting of the Authority on June 29, 2026, remains fully secured by a subordinate deed of trust while acknowledging that repayment of the senior loan has first priority. The Authority’s's subordinate lien will remain in place but will be junior to the senior lender's deed of trust throughout the term of the senior financing. The agreement establishes procedures for coordination between lenders in the event of a default. Both lenders are required to provide written notice of borrower defaults to one another and are afforded opportunities to cure defaults before enforcement actions may proceed. The Authority is granted the right to cure certain senior loan defaults, while the senior lender similarly receives the opportunity to cure defaults under the Authority’s subordinate loan.

To protect the project's financial stability, the agreement includes a 180-day standstill period following a default under the Authority’s loan. During this period, the Authority agrees not to accelerate its loan, initiate foreclosure proceedings, seek appointment of a receiver, or pursue other collection remedies without the senior lender's consent. This provision provides time for resolution of financial issues while protecting the senior lender's collateral position. The agreement also restricts payments to the Authority following a senior loan default. Once notified by the senior lender, the Authority may not accept payments on its subordinate loans without written authorization.

Additional provisions govern casualty losses, condemnation proceeds, loan modifications, refinancing, bankruptcy actions, and future assignments of the 's loans. The Authority may not modify its loan terms or transfer its loan interests without the senior lender's consent, ensuring consistency within the overall financing structure.

The agreement further clarifies that, in the event of any conflict between the senior loan documents, subordinate loan documents, and this agreement, the provisions of the Subordination and Standstill Agreements control with respect to lien priority, enforcement procedures, notice requirements, and lender rights. Overall, the agreement protects the interests of both lenders while providing a coordinated framework for administering the financing throughout the life of the project.

Financial Impact:
Execution of the agreement does not authorize additional Authority expenditures or increase the amount of the Authority’s financial commitment.

Alignment with Strategic Plan:
The Plan touches on the following Strategic Objectives in the 2024-2028 Strategic Plan:

- Enhance Community Inclusivity
- Support a Thriving Economy

Staff Recommendation:
Staff requests the Authority consider and approve the Subordination and Standstill Agreements for 101 W. Main.

Reviews and Approvals:

- Tom Fisher, Town Manager

Attachments:

- Attachment 1 – Subordination and Standstill Agreement and Subordination and Standstill Agreement SWAP

SUBORDINATION AND STANDSTILL AGREEMENT (SWAP)

THIS SUBORDINATION AND STANDSTILL AGREEMENT (SWAP) (this "**Agreement**") is entered into this _____ day of ____________, 2026 by and among (i) CEDAR RAPIDS BANK AND TRUST COMPANY, an Iowa state-chartered banking corporation (together with its successors and/or assigns, the "Senior Lender"), (ii) FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY, a body corporate and politic (the "**Subordinate Lender**"), and (iii) WEST MAIN APARTMENTS LLLP, a Colorado limited liability limited partnership (the "**Borrower**").

Recitals

A. The Borrower is constructing and developing a multi-family affordable housing development (the "**Project**") located in Frisco, Colorado, on a leasehold estate more particularly described in Exhibit A attached hereto (hereinafter, the leasehold estate is referred to as the "Property").

B. The Senior Lender has agreed to enter into an interest rate swap transaction (the "**Senior Loan**") pursuant to that certain ISDA Master Agreement and all schedules and confirmations attached to and referenced therein, date as of [_________], 2026 executed by and between Borrower and Senior Lender (together with all documents related thereto, the "**Swap Agreement**").

C. The Senior Loan is or will be secured by a first mortgage lien (the "**Senior Deed of Trust**") on the Property, executed by the Borrower in favor of the Senior Lender.

D. The Borrower has requested the Senior Lender to permit the Subordinate Lender to make those certain subordinate loan to the Borrower in the amount of $[______] (the "**Subordinate Loan**"), and to secure the Subordinate Loan by, among other things, placing a mortgage lien against the Property.

E. The Senior Lender has agreed to permit the Subordinate Lender to make the Subordinate Loan and to place a subordinate mortgage lien against the Property subject to all of the conditions contained in this Agreement.

NOW, THEREFORE, in order to induce the Senior Lender to permit the Subordinate Lender to make the Subordinate Loan to the Borrower and to place a subordinate mortgage lien against the Property, and in consideration thereof, the Senior Lender, the Subordinate Lender and the Borrower agree as follows:

1. Definitions.

In addition to the terms defined in the Recitals to this Agreement, for purposes of this Agreement the following terms have the respective meanings set forth below:

"**Affiliate**" means, when used with respect to a Person, any corporation, partnership, joint venture, limited liability company, limited liability partnership, trust or individual controlled by, under common control with, or which controls such Person (the term “control” for these purposes shall mean the ability, whether by the ownership of shares or other equity interests, by contract or otherwise, to elect a majority of the directors of a corporation, to make management decisions on behalf of, or independently to select the managing partner of, a partnership, or otherwise to have the power independently to remove and then select a majority of those individuals exercising managerial authority over an entity, and control shall be conclusively presumed in the case of the ownership of 50% or more of the equity interests).

“**Borrower**” means the Person named as such in the first paragraph of this Agreement and any other Person (other than the Senior Lender) who acquires title to the Property after the date of this Agreement.

“**Business Day**” means any day other than Saturday, Sunday or a day on which the Senior Lender is not open for business.

“**Default Notice**” means: (a) a copy of the written notice from the Senior Lender to the Borrower stating that a Senior Loan Default has occurred under the Senior Loan; or (b) a copy of the written notice from the Subordinate Lender to the Borrower stating that a Subordinate Loan Default has occurred under the Subordinate Loan. Each Default Notice shall specify the default upon which such Default Notice is based.

“**Person**” means an individual, estate, trust, partnership, corporation, limited liability company, limited liability partnership, governmental department or agency or any other entity which has the legal capacity to own property.

“**Senior Loan Default**” means the occurrence of an “Event of Default” as that term is defined in the Senior Loan Documents.

“**Senior Loan Documents**” means the Swap Agreement and all other documents evidencing, securing or otherwise executed and delivered in connection with the Senior Loan.

“**Senior Lender**” means the Person named as such in the first paragraph on page 1 of this Agreement. When any other Person becomes the legal holder of the Swap Agreement, such other Person shall automatically become the Senior Lender.

“**Subordinate Deed of Trust**” means the Leasehold Deed of Trust, Security Agreement, Financing Statement and Assignment of Rents and Leases encumbering the Property as security for the Subordinate Loan, which the Subordinate Lender will cause to be recorded among the applicable land records immediately before this Agreement.

“**Subordinate Lender**” means the Person named as such in the first paragraph on page 1 of this Agreement and any other Person who becomes the legal holder of the Subordinate Note after the date of this Agreement.

“**Subordinate Loan Default**” means a default by the Borrower in performing or observing any of the terms, covenants or conditions in the Subordinate Loan Documents to be performed or observed by it, which continues beyond any applicable period provided in the Subordinate Loan Documents for curing the default.

"**Subordinate Loan Documents**" means the Subordinate Note, the Subordinate Deed of Trust and all other documents evidencing, securing or otherwise executed and delivered in connection with the Subordinate Loan.

"**Subordinate Note**" means the [Promissory Note] of even date herewith issued by the Borrower to the Subordinate Lender, or order, to evidence the Subordinate Loan.

2. Permission to Place Deed of Trust Lien Against Property.

The Senior Lender agrees, notwithstanding the prohibition against inferior liens on the Property contained in the Senior Loan Documents and subject to the provisions of this Agreement, to permit the Subordinate Lender to record the Subordinate Deed of Trust and other recordable Subordinate Loan Documents against the Property (which are subordinate in all respects to the lien of the Senior Deed of Trust) to secure the Borrower's obligation to repay the Subordinate Note and all other obligations, indebtedness and liabilities of the Borrower to the Subordinate Lender under and in connection with the Subordinate Loan. Such permission is subject to the condition that each of the representations and warranties made by the Borrower and the Subordinate Lender in Section 3 is true and correct on the date of this Agreement and on the date on which the proceeds of the Subordinate Loan are disbursed to the Borrower. If any of the representations and warranties made by the Borrower and the Subordinate Lender in Section 3 is not true and correct on both of those dates, the provisions of the Senior Deed of Trust and Senior Loan Documents applicable to unpermitted liens on the Property shall apply.

3. Borrower's and Subordinate Lender's Representations and Warranties.

The Borrower and the Subordinate Lender each makes the following representations and warranties to the Senior Lender:

(a) Subordinate Note. The Subordinate Note shall be deemed to contain the following provision:

> The indebtedness evidenced by this Note is and shall be subordinate in right of payment to the prior payment in full of the indebtedness evidenced by that certain ISDA Master Agreement and all schedules and confirmations attached thereto and referenced therein (the "Swap Agreement") executed by and between the Borrower and Cedar Rapids Bank and Trust Company, an Iowa state-chartered banking corporation (the "Senior Lender"), to the extent and in the manner provided in that certain Subordination and Standstill Agreement dated as of [_________], 2026 by and among the Frisco Community Housing Development Authority, a body corporate and politic, the Borrower and the Senior Lender (the "Subordination Agreement"). The Deed of Trust securing this Note is and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Deed of Trust securing the obligations under the Swap Agreement as more fully set forth in the Subordination Agreement. The

rights and remedies of the payee and each subsequent holder of this Note under the Deed of Trust securing this Note are subject to the restrictions and limitations set forth in the Subordination Agreement. Each subsequent holder of this Note shall be deemed, by virtue of such holder's acquisition of this Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by the Subordinate Lender (as defined in the Subordination Agreement) under the Subordination Agreement.

(b) Relationship of Borrower to Subordinate Lender and Senior Lender. The Subordinate Lender is not an Affiliate of the Borrower and is not in possession of any facts which would lead it to believe that the Senior Lender is an Affiliate of the Borrower.

(c) Term. The term of the Subordinate Note does not end before 6 months after the term of the Senior Loan.

(d) Subordinate Loan Documents. The executed Subordinate Loan Documents are substantially in the same forms as those submitted to, and approved by, Senior Lender prior to the date of this Agreement. Upon execution and delivery of the Subordinate Loan Documents, Borrower shall deliver to Senior Lender an executed copy of each of the Subordinate Loan Documents.

(e) Senior Loan Documents. Upon execution and delivery of the Senior Loan Documents, Borrower shall deliver to Subordinate Lender an executed copy of each of the Senior Loan Documents.

4. Terms of Subordination.

(a) Agreement to Subordinate. The Senior Lender and the Subordinate Lender agree that: (i) the indebtedness evidenced by the Subordinate Loan Documents is and shall be subordinated in right of payment, to the extent and in the manner provided in this Agreement to the prior payment in full of the indebtedness evidenced by the Senior Loan Documents, and (ii) the Subordinate Deed of Trust and the other Subordinate Loan Documents are and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Senior Deed of Trust and the other Senior Loan Documents and to all advances heretofore made or which may hereafter be made pursuant to the Senior Deed of Trust and the other Senior Loan Documents (including but not limited to, all sums advanced for the purposes of (1) protecting or further securing the lien of the Senior Deed of Trust, curing defaults by the Borrower under the Senior Loan Documents or for any other purpose expressly permitted by the Senior Deed of Trust, or (2) constructing, renovating, repairing, furnishing, fixturing or equipping the Property).

(b) Subordination of Subrogation Rights. The Subordinate Lender agrees that if, by reason of its payment of real estate taxes or other monetary obligations of the Borrower, or by reason of its exercise of any other right or remedy under the Subordinate Loan Documents, it acquires by right of subrogation or otherwise a lien on the Property which (but for this subsection) would be senior to the lien of the Senior Deed of Trust, then, in that event, such lien shall be subject and subordinate to the lien of the Senior Deed of Trust.

(c) Payments Before Senior Loan Default. Until the Subordinate Lender receives a Default Notice of a Senior Loan Default from the Senior Lender, the Subordinate Lender shall be entitled to retain for its own account all payments made under or pursuant to the Subordinate Loan Documents. Such payments include scheduled principal payments and the Subordinate Lender agrees that Subordinate Loan does not include any hyper-amortization feature. Such payments include simple, non-compounding, interest. Such payments are payable only from surplus cash flow after the payment of operating expenses, replacement reserve contributions, contributions to escrow accounts, and debt service on the Senior Loan from the operation of the Property.

(d) Payments After Senior Loan Default. The Borrower agrees that, after it receives notice (or otherwise acquires knowledge) of a Senior Loan Default, it will not make any payments under or pursuant to the Subordinate Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorney's fees, or any other sums secured by the Subordinate Deed of Trust) without the Senior Lender's prior written consent. The Subordinate Lender agrees that, after it receives a Default Notice from the Senior Lender with written instructions directing the Subordinate Lender not to accept payments from the Borrower on account of the Subordinate Loan, it will not accept any payments under or pursuant to the Subordinate Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorney's fees, or any other sums secured by the Subordinate Deed of Trust) without the Senior Lender's prior written consent. If the Subordinate Lender receives written notice from the Senior Lender that the Senior Loan Default which gave rise to the Subordinate Lender's obligation not to accept payments has been cured, waived, or otherwise suspended by the Senior Lender, the restrictions on payment to the Subordinate Lender in this Section 4 shall terminate, and the Senior Lender shall have no right to any subsequent payments made to the Subordinate Lender by the Borrower prior to the Subordinate Lender's receipt of a new Default Notice from the Senior Lender in accordance with the provisions of this Section 4(d).

(e) Remitting Subordinate Loan Payments to Senior Lender. If, after the Subordinate Lender receives a Default Notice from the Senior Lender in accordance with subsection (d) above, the Subordinate Lender receives any payments under the Subordinate Loan Documents, the Subordinate Lender agrees that such payment or other distribution will be received and held in trust for the Senior Lender and unless the Senior Lender otherwise notifies the Subordinate Lender in writing, will be promptly remitted, in kind to the Senior Lender, properly endorsed to the Senior Lender, to be applied to the principal of, interest on and other amounts due under the Senior Loan Documents in accordance with the provisions of the Senior Loan Documents. By executing this Agreement, the Borrower specifically authorizes the Subordinate Lender to endorse and remit any such payments to the Senior Lender, and specifically waives any and all rights to have such payments returned to the Borrower or credited against the Subordinate Loan. Borrower and Senior Lender acknowledge and agree that payments received by the Subordinate Lender, and remitted to the Senior Lender under this Section 4, shall not be applied or otherwise credited against the Subordinate Loan, nor shall the tender of such payment to the Senior Lender waive any Subordinate Loan Default which may arise from the inability of the Subordinate Lender to retain such payment or apply such payment to the Subordinate Loan.

(f) Agreement Not to Commence Bankruptcy Proceeding. The Subordinate Lender agrees that during the term of this Agreement it will not commence, or join with any other creditor in commencing any bankruptcy reorganization, arrangement, insolvency or liquidation proceedings with respect to the Borrower, without the Senior Lender's prior written consent.

5. Default Under Subordinate Loan Documents.

(a) Notice of Default and Cure Rights. The Subordinate Lender shall deliver to the Senior Lender a Default Notice within five Business Days in each case where the Subordinate Lender has given a Default Notice to the Borrower. Failure of the Subordinate Lender to send a Default Notice to the Senior Lender shall not prevent the exercise of the Subordinate Lender's rights and remedies under the Subordinate Loan Documents, subject to the provisions of this Agreement. The Senior Lender shall have the right, but not the obligation, to cure any Subordinate Loan Default within 60 days following the date of such notice; provided, however that the Subordinate Lender shall be entitled, during such 60-day period, to continue to pursue its rights and remedies under the Subordinate Loan Documents to the extent permitted under Section 5(b). All amounts paid by the Senior Lender in accordance with the Senior Loan Documents to cure a Subordinate Loan Default shall be deemed to have been advanced by the Senior Lender pursuant to, and shall be secured by the lien of, the Senior Deed of Trust.

(b) Subordinate Lender's Agreement to Standstill. If a Subordinate Loan Default occurs and is continuing, the Subordinate Lender agrees that, for a period of One Hundred and Eighty (180) days, it will not, without the Senior Lender's prior written consent, accelerate the Subordinate Loan, commence foreclosure proceedings with respect to the Property, collect rents, appoint (or seek the appointment of) a receiver or institute any other collection or enforcement action.

(c) Cross Default. The Borrower and the Subordinate Lender agree that a Subordinate Loan Default shall constitute a Senior Loan Default under the Senior Loan Documents and the Senior Lender shall have the right to exercise all rights or remedies under the Senior Loan Documents in the same manner as in the case of any other Senior Loan Default. If the Subordinate Lender notifies the Senior Lender in writing that any Subordinate Loan Default of which the Senior Lender has received a Default Notice has been cured or waived, as determined by the Subordinate Lender in its sole discretion, then provided that Senior Lender has not conducted a sale of the Property pursuant to its rights under the Senior Loan Documents, any Senior Loan Default under the Senior Loan Documents arising solely from such Subordinate Loan Default shall be deemed cured, and the Senior Loan shall be reinstated, provided, however, that the Senior Lender shall not be required to return or otherwise credit for the benefit of the Borrower any default rate interest or other default related charges or payments received by the Senior Lender during such Senior Loan Default.

6. Default Under Senior Loan Documents.

(a) Notice of Default and Cure Rights. The Senior Lender shall deliver to the Subordinate Lender a Default Notice within five Business Days in each case where the Senior Lender has given a Default Notice to the Borrower. Failure of the Senior Lender to send a Default Notice to the Subordinate Lender shall not prevent the exercise of the Senior Lender's rights and remedies under the Senior Loan Documents, subject to the provisions of this Agreement. The Subordinate Lender shall have the right, but not the obligation, to cure any such Senior Loan Default as provided below. Subordinate Lender may have up to 30 days from the date of the Default Notice to cure any monetary default under the Senior Loan Documents; provided, however, that the Senior Lender shall be entitled during such 30-day period to continue to pursue its remedies with respect to the Property. Subordinate Lender may have up to 60 days from the date of the Default Notice to cure a non-monetary default if during such 60-day period Subordinate Lender keeps current all payments required by the Senior Loan Documents. In the event that such a non-monetary default creates an unacceptable level of risk relative to the Property, or Senior Lender's secured position relative to the Property, as determined by Senior Lender in its sole discretion, then Senior Lender may exercise during such 60-day period all available rights and remedies to protect and preserve the Property and the rents, revenues and other proceeds from the Property. All amounts paid by the Subordinate Lender to the Senior Lender to cure a Senior Loan Default shall be deemed to have been advanced by the Subordinate Lender pursuant to, and shall be secured by the lien of, the Subordinate Deed of Trust.

(b) Cross Default. The Subordinate Lender agrees that, notwithstanding any contrary provision contained in the Subordinate Loan Documents, a Senior Loan Default shall not constitute a default under the Subordinate Loan Documents if no other default occurred under the Subordinate Loan Documents until either (i) the Senior Lender has accelerated the maturity of the Senior Loan, or (ii) the Senior Lender has taken affirmative action to exercise its rights under the Senior Deed of Trust to collect rent, to appoint (or seek the appointment of) a receiver or to foreclose on (or to exercise a power of sale contained in) the Senior Deed of Trust. At any time after a Senior Loan Default is determined to constitute a default under the Subordinate Loan Documents, the Subordinate Lender shall be permitted to pursue its remedies for default under the Subordinate Loan Documents, subject to the restrictions and limitations of this Agreement. If at any time the Borrower cures any Senior Loan Default to the satisfaction of the Senior Lender, as evidenced by written notice from the Senior lender to the Subordinate Lender, any default under the Subordinate Loan Documents arising from such Senior Loan Default shall be deemed cured and the Subordinate Loan shall be retroactively reinstated as if such Senior Loan Default had never occurred.

7. Conflict.

The Borrower, the Senior Lender and the Subordinate Lender each agrees that, in the event of any conflict or inconsistency between the terms of the Senior Loan Documents, the Subordinate Loan Documents and the terms of this Agreement, the terms of this Agreement shall govern and control solely as to the following: (a) the relative priority of the security interests of the Senior

Lender and the Subordinate Lender in the Property; (b) the timing of the exercise of remedies by the Senior Lender and the Subordinate Lender under the Senior Deed of Trust and the Subordinate Deed of Trust, respectively; and (c) solely as between the Senior Lender and the Subordinate Lender, the notice requirements, cure rights, and the other rights and obligations which the Senior Lender and the Subordinate Lender have agreed to as expressly provided in this Agreement. Borrower acknowledges that the terms and provisions of this Agreement shall not, and shall not be deemed to: extend Borrower's time to cure any Senior Loan Default or Subordinate Loan Default, as the case may be; give the Borrower the right to notice of any Senior Loan Default or Subordinate Loan Default, as the case may be other than that, if any, provided, respectively under the Senior Loan Documents or the Subordinate Loan Documents; or create any other right or benefit for Borrower as against Senior Lender or Subordinate Lender.

8. Rights and Obligations of the Subordinate Lender Under the Subordinate Loan Documents and of the Senior Lender under the Senior Loan Documents.

Subject to each of the other terms of this Agreement, all of the following provisions shall supersede any provisions of the Subordinate Loan Documents covering the same subject matter:

(a) Protection of Security Interest. The Subordinate Lender shall not, without the prior written consent of the Senior Lender in each instance, take any action which has the effect of increasing the indebtedness outstanding under, or secured by, the Subordinate Loan Documents, except that the Subordinate Lender shall have the right to advance funds to cure Senior Loan Defaults pursuant to Section 6(a) above and advance funds pursuant to the Subordinate Deed of Trust for the purpose of paying real estate taxes and insurance premiums, making necessary repairs to the Property and curing other defaults by the Borrower under the Subordinate Loan Documents.

(b) Condemnation or Casualty. In the event of: a taking or threatened taking by condemnation or other exercise of eminent domain of all or a portion of the Property (collectively, a "Taking"); or the occurrence of a fire or other casualty resulting in damage to all or a portion of the Property (collectively, a "Casualty"), at any time or times when the Senior Deed of Trust remains a lien on the Property the following provisions shall apply:

(1) The Subordinate Lender hereby agrees that its rights (under the Subordinate Loan Documents or otherwise) to participate in any proceeding or action relating to a Taking and/or a Casualty, or to participate or join in any settlement of, or to adjust, any claims resulting from a Taking or a Casualty shall be and remain subordinate in all respects to the Senior Lender's rights under the Senior Loan Documents with respect thereto, and the Subordinate Lender shall be bound by any settlement or adjustment of a claim resulting from a Taking or a Casualty made by the Senior Lender; provided, however, this subsection and/or anything contained in this Agreement shall not limit the rights of the Subordinate Lender to file any pleadings, documents, claims or notices with the appropriate court with jurisdiction over the proposed Taking and/or Casualty; and

(2) all proceeds received or to be received on account of a Taking or a Casualty, or both, shall be applied (either to payment of the costs and expenses of repair and restoration or to payment of the Senior Loan) in the manner determined by the Senior Lender in its sole discretion; provided, however, that if the Senior Lender elects to apply such proceeds to payment of the principal of, interest on and other amounts payable under the Senior Loan, any proceeds remaining after the satisfaction in full of the principal of, interest on and other amounts payable under the Senior Loan shall be paid to, and may be applied by, the Subordinate Lender in accordance with the applicable provisions of the Subordinate Loan Documents, provided however, the Senior Lender agrees to consult with the Subordinate Lender in determining the application of Casualty proceeds, provided further however that in the event of any disagreement between the Senior Lender and the Subordinate Lender over the application of Casualty proceeds, the decision of the Senior Lender, in its sole discretion, shall prevail.

(c) No Modification of Subordinate Loan Documents. The Borrower and the Subordinate Lender each agrees that, until the principal of, interest on and all other amounts payable under the Senior Loan Documents have been paid in full, it will not, without the prior written consent of the Senior Lender in each instance, increase the amount of the Subordinate Loan, increase the required payments due under the Subordinate Loan, decrease the term of the Subordinate Loan, increase the interest rate on the Subordinate Loan, or otherwise amend the Subordinate Loan terms in a manner that creates an adverse effect upon the Senior Lender under the Senior Loan Documents. Any unauthorized amendment of the Subordinate Loan Documents or assignment of the Subordinate Lender's interest in the Subordinate Loan without the Senior Lender's consent shall be void ab initio and of no effect whatsoever and Subordinate Lender agrees that it shall not transfer or assign the Subordinate Loan or the Subordinate Loan Documents without the prior written consent of the Senior Lender.

9. Stabilization, Modification or Refinancing of Senior Loan.

The Subordinate Lender consents to any agreement or arrangement in which the Senior Lender waives, postpones, extends, reduces or modifies any provisions of the Senior Loan Documents, including any provision requiring the payment of money. Subordinate Lender further agrees that its agreement to subordinate hereunder shall extend to any new mortgage debt which is for the purpose of refinancing all or any part of the Senior Loan (including reasonable and necessary costs associated with the closing and/or the refinancing) and, in the event of new mortgage debt, Subordinate Lender shall execute and deliver to Senior Lender a new subordination agreement on the same terms and conditions as this Subordination Agreement.

10. Default by the Subordinate Lender or Senior Lender.

If the Subordinate Lender or Senior Lender defaults in performing or observing any of the terms, covenants or conditions to be performed or observed by it under this Agreement, the other, non-defaulting lender shall have the right to all available legal and equitable relief.

11. Notices.

Each notice, request, demand, consent, approval or other communication (hereinafter in this Section referred to collectively as "notices" and referred to singly as a "notice") which the Senior Lender or the Subordinate Lender is required or permitted to give to the other party pursuant to this Agreement shall be in writing and shall be deemed to have been duly and sufficiently given if: (a) personally delivered with proof of delivery thereof (any notice so delivered shall be deemed to have been received at the time so delivered); or (b) sent by Federal Express (or other similar national overnight courier) designating early morning delivery (any notice so delivered shall be deemed to have been received on the next Business Day following receipt by the courier); or (c) sent by United States registered or certified mail, return receipt requested, postage prepaid, at a post office regularly maintained by the United States Postal Service (any notice so sent shall be deemed to have been received two days after mailing in the United States), addressed to the respective parties as follows:

SENIOR LENDER:

Cedar Rapids Bank and Trust Company
500 1st Avenue NE, Suite 100
Cedar Rapids, Iowa 52401
Attention: Nick Svare

With a copy to:

Winthrop & Weinstine, P.A.
225 South 6th Street, Suite 3500
Minneapolis, Minnesota 55402
Attention: Holly A. Stocker, Esq.

SUBORDINATE LENDER:

Town of Frisco
P.O. Box 4100 (Mailing)
1 East Main Street (Physical)
Frisco, Colorado 80443
Attention: Community Development Director

With a copy to:

Thad W. Renaud, Esq.
Murray Dahl Beery & Renaud LLP
710 Kipling Street, Suite 300
Lakewood, CO 80215

Either party may, by notice given pursuant to this Section, change the person or persons and/or address or addresses, or designate an additional person or persons or an additional address or addresses for its notices, but notice of a change of address shall only be effective upon receipt.

12. General.

(a) Assignment/Successors. This Agreement shall be binding upon the Borrower, the Senior Lender and the Subordinate Lender and shall inure to the benefit of the respective legal successors and assigns of the Senior Lender and the Subordinate Lender.

(b) No Partnership or Joint Venture. The Senior Lender's permission for the placement of the Subordinate Loan Documents does not constitute the Senior Lender as a joint venturer or partner of the Subordinate Lender. Neither party hereto shall hold itself out as a partner, agent or Affiliate of the other party hereto.

(c) Senior Lender's and Subordinate Lender's Consent. Wherever the Senior Lender's consent or approval is required by any provision of this Agreement, such consent or approval may be granted or denied by the Senior Lender in its sole and absolute discretion, unless otherwise expressly provided in this Agreement. Wherever the Subordinate Lender's consent or approval is required by any provision of this Agreement, such consent or approval may be granted or denied by the Subordinate Lender in its sole and absolute discretion, unless otherwise expressly provided in this Agreement.

(d) Further Assurances. The Subordinate Lender, the Senior Lender and the Borrower each agree, at the Borrower's expense, to execute and deliver all additional instruments and/or documents reasonably required by any other party to this Agreement in order to evidence that the Subordinate Deed of Trust is subordinate to the lien, covenants and conditions of the Senior Deed of Trust, or to further evidence the intent of this Agreement.

(e) Amendment. This Agreement shall not be amended except by written instrument signed by all parties hereto.

(f) Governing Law. This Agreement shall be governed by the laws of the State in which the Property is located.

(g) Severable Provisions. If any provision of this Agreement shall be invalid or unenforceable to any extent, then the other provisions of this Agreement, shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

(h) Term. The term of this Agreement shall commence on the date hereof and shall continue until the earliest to occur of the following events: (i) the payment of all of the principal of, interest on and other amounts payable under the Senior Loan Documents; (ii) the payment of all of the principal of, interest on and other amounts payable under the Subordinate Loan Documents, other than by reason of payments which the Subordinate Lender is obligated to remit to the Senior Lender pursuant to Section 4 hereof; (iii) the acquisition by the Senior Lender of title to the Property pursuant to a foreclosure or a deed in lieu of foreclosure of, or the exercise of a power of sale contained in, the Senior Deed of Trust; or (iv) the acquisition by the Subordinate Lender of title to the Property pursuant to a foreclosure or a deed in lieu of foreclosure of, or the exercise of a power of sale contained in, the Subordinate Deed of Trust, but only if such acquisition of title does not violate any of the terms of this Agreement.

(i) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

SENIOR LENDER:

CEDAR RAPIDS BANK AND TRUST COMPANY, an Iowa state-chartered banking corporation

By: ________________________________
Nick Svare
Vice President

STATE OF IOWA)
)
COUNTY OF LINN)

The foregoing instrument was acknowledged before the this ___ day of ___________, 2026 by Nick Svare, a Vice President of Cedar Rapids Bank and Trust Company, an Iowa state-chartered banking corporation, on behalf of said state-chartered banking corporation.

____
Notary Public

SUBORDINATE LENDER:

FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY,
a body corporate and politic

By: ________________________
Name: Elizabeth Skrzypzak-Adrian
Its: Vice Chairperson

STATE OF COLORADO)
) ss.
COUNTY OF SUMMIT)

The foregoing instrument was acknowledged before me this ____ day of July, 2026 by Elizabeth Skrzypzak-Adrian, as the Vice Chairperson of the Frisco Community Housing Development Authority, a body corporate and politic.

Witness my hand and official seal.

My commission expires:____________________________

____
Notary Public

(S E A L)

BORROWER:

WEST MAIN APARTMENTS LLLP, a
Colorado limited liability limited partnership

By: NHPF West Main GP, LLC, a
Colorado limited liability company, its
General Partner

By: The NHP Foundation, a
District of Columbia nonprofit
corporation, its Managing Member

By: ________________________________
John Welsh
Senior Vice President

	)
DISTRICT OF COLUMBIA	) ss.
	)

The foregoing instrument was acknowledged before me this ____ day of ______________, 2026, by John Welsh, the Senior Vice President of The NHP Foundation, a District of Columbia nonprofit corporation, the Managing Member of NHPF West Main GP, LLC, a Colorado limited liability company, the General Partner of West Main Apartments LLLP, a Colorado limited liability limited partnership, for and on behalf of said limited liability limited partnership.

(SEAL)

____
Notary Public
My Commission Expires: _______________

EXHIBIT A

LEGAL DESCRIPTION

The “Property” **is a leasehold estate** over certain real property described in that certain Amended and Restated 101 West Main Ground Lease between the Town of Frisco, Colorado and West Main Apartments, LLLP, dated on or about ___,2026(the (“Ground Lease”). The leasehold estate encumbers real property described in the Ground Lease as:

Lot B-1, Amended West Frisco 70, Filing No. 2, according to the plat filed April 16, 1974 under reception no. 140796, County of Summit, State of Colorado, except for that portion of Lot B-1 that has been subdivided as the “Commercial Unit” under that certain subdivision plat recorded in the real property records for the County of Summit, Colorado, on __________,2026, under Reception Number _______.

Prepared by and after recording
return to:

Winthrop & Weinstine, P.A.
225 S 6th Street, Suite 3500
Minneapolis, MN 55402
Attn: Holly A. Stocker

SUBORDINATION AND STANDSTILL AGREEMENT

THIS SUBORDINATION AND STANDSTILL AGREEMENT (this "**Agreement**") is entered into this _____ day of ____________, by and among (i) CEDAR RAPIDS BANK AND TRUST COMPANY, an Iowa state-chartered banking corporation (together with its successors and/or assigns, the "**Senior Lender**"), (ii) FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY, a body corporate and politic (the "**Subordinate Lender**"), and (iii) WEST MAIN APARTMENTS LLLP, a Colorado limited liability limited partnership (the "**Borrower**").

Recitals

A. The Borrower owns a multi-family affordable housing development (the "**Project**") located in Frisco, Colorado, on a leasehold estate more particularly described in <u>Exhibit A</u> attached hereto (hereinafter, the leasehold estate is referred to as the "Property").

B. The Senior Lender has agreed to make a permanent loan to Borrower in the original principal amount of $[__________] (the "**Loan**"), pursuant to the terms and conditions set forth in that certain Loan Agreement of even date herewith (the "**Loan Agreement**").

C. The obligation of the Borrower to repay the Loan is evidenced by that certain Term Note of even date herewith, executed by the Borrower payable to the order of the Lender (the "**Senior Note**"), in the original principal amount of $[_______].

D. The Senior Loan is or will be secured by a first mortgage lien (the "**Senior Deed of Trust**") on the Property, executed by the Borrower in favor of the Senior Lender.

E. The Borrower has requested the Senior Lender to permit the Subordinate Lender to make that certain subordinate loan to the Borrower in the amount of $[______] (the "**Subordinate Loan**") and to secure the Subordinate Loan by, among other things, placing a mortgage lien against the Property.

F. The Senior Lender has agreed to permit the Subordinate Lender to make the Subordinate Loans and to place a subordinate mortgage lien against the Property subject to all of the conditions contained in this Agreement.

NOW, THEREFORE, in order to induce the Senior Lender to permit the Subordinate Lender to make the Subordinate Loans to the Borrower and to place a subordinate mortgage lien against the Property, and in consideration thereof, the Senior Lender, the Subordinate Lender and the Borrower agree as follows:

1. Definitions.

In addition to the terms defined in the Recitals to this Agreement, for purposes of this Agreement the following terms have the respective meanings set forth below:

"Affiliate" means, when used with respect to a Person, any corporation, partnership, joint venture, limited liability company, limited liability partnership, trust or individual controlled by, under common control with, or which controls such Person (the term "control" for these purposes shall mean the ability, whether by the ownership of shares or other equity interests, by contract or otherwise, to elect a majority of the directors of a corporation, to make management decisions on behalf of, or independently to select the managing partner of, a partnership, or otherwise to have the power independently to remove and then select a majority of those individuals exercising managerial authority over an entity, and control shall be conclusively presumed in the case of the ownership of 50% or more of the equity interests).

"Borrower" means the Person named as such in the first paragraph of this Agreement and any other Person (other than the Senior Lender) who acquires title to the Property after the date of this Agreement.

"Business Day" means any day other than Saturday, Sunday or a day on which the Senior Lender is not open for business.

"Default Notice" means: (a) a copy of the written notice from the Senior Lender to the Borrower stating that a Senior Loan Default has occurred under the Senior Loan; or (b) a copy of the written notice from the Subordinate Lender to the Borrower stating that a Subordinate Loan Default has occurred under the Subordinate Loans. Each Default Notice shall specify the default upon which such Default Notice is based.

"Person" means an individual, estate, trust, partnership, corporation, limited liability company, limited liability partnership, governmental department or agency or any other entity which has the legal capacity to own property.

"Senior Loan Default" means the occurrence of an "Event of Default" as that term is defined in the Senior Loan Documents.

"Senior Loan Documents" means the Senior Note, the Loan Agreement, the Senior Mortgage and all other documents evidencing, securing or otherwise executed and delivered in connection with the Senior Loan.

"Senior Lender" means the Person named as such in the first paragraph on page 1 of this Agreement. When any other Person becomes the legal holder of the Senior Note, such other Person shall automatically become the Senior Lender.

"Subordinate Deed of Trust" means the Leasehold Deed of Trust, Security Agreement, Financing Statement and Assignment of Rents and Leases encumbering the Property as security for the Subordinate Loans, which the Subordinate Lender will cause to be recorded among the applicable land records immediately before this Agreement.

"Subordinate Lender" means the Person named as such in the first paragraph on page 1 of this Agreement and any other Person who becomes the legal holder of the Subordinate Note after the date of this Agreement.

"Subordinate Loan Default" means a default by the Borrower in performing or observing any of the terms, covenants or conditions in the Subordinate Loan Documents to be performed or observed by it, which continues beyond any applicable period provided in the Subordinate Loan Documents for curing the default.

"Subordinate Loan Documents" means the Subordinate Note, the Subordinate Deed of Trust and all other documents evidencing, securing or otherwise executed and delivered in connection with the Subordinate Loans.

"Subordinate Note" means the [Promissory Note] of even date herewith issued by the Borrower to the Subordinate Lender, or order, to evidence the Subordinate Loans.

2. Permission to Place Deed of Trust Lien Against Property.

The Senior Lender agrees, notwithstanding the prohibition against inferior liens on the Property contained in the Senior Loan Documents and subject to the provisions of this Agreement, to permit the Subordinate Lender to record the Subordinate Deed of Trust and other recordable Subordinate Loan Documents against the Property (which are subordinate in all respects to the lien of the Senior Deed of Trust) to secure the Borrower's obligation to repay the Subordinate Note and all other obligations, indebtedness and liabilities of the Borrower to the Subordinate Lender under and in connection with the Subordinate Loans. Such permission is subject to the condition that each of the representations and warranties made by the Borrower and the Subordinate Lender in Section 3 is true and correct on the date of this Agreement and on the date on which the proceeds of the Subordinate Loans are disbursed to the Borrower. If any of the representations and warranties made by the Borrower and the Subordinate Lender in Section 3 is not true and correct on both of those dates, the provisions of the Senior Deed of Trust and Senior Loan Documents applicable to unpermitted liens on the Property shall apply.

3. Borrower's and Subordinate Lender's Representations and Warranties.

The Borrower and the Subordinate Lender each makes the following representations and warranties to the Senior Lender:

(a) Subordinate Note. The Subordinate Note shall be deemed to contain the following provision:

The indebtedness evidenced by this Note is and shall be subordinate in right of payment to the prior payment in full of the indebtedness evidenced by that certain Term Note (the "Senior Note") in the original principal amount of $[________] executed by West Main Apartments LLLP, a Colorado limited liability limited partnership (the "Borrower"), payable to Cedar Rapids Bank and Trust Company, an Iowa state-chartered banking corporation (the "Senior Lender"), to the extent and in the manner provided in that certain Subordination and Standstill Agreement dated as of _________, _____, by and among Frisco Community Housing Development Authority, a body corporate and politic, the Borrower and the Senior Lender (the "Subordination Agreement"). The Deed of Trust securing this Note is and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Deed of Trust securing the Note as more fully set forth in the Subordination Agreement. The rights and remedies of the payee and each subsequent holder of this Note under the Deed of Trust securing this Note are subject to the restrictions and limitations set forth in the Subordination Agreement. Each subsequent holder of this Note shall be deemed, by virtue of such holder's acquisition of this Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by the Subordinate Lender (as defined in the Subordination Agreement) under the Subordination Agreement.

(b) Relationship of Borrower to Subordinate Lender and Senior Lender. The Subordinate Lender is not an Affiliate of the Borrower and is not in possession of any facts which would lead it to believe that the Senior Lender is an Affiliate of the Borrower.

(c) Term. The term of the Subordinate Note does not end before 6 months after the term of the Senior Note.

(d) Subordinate Loan Documents. The executed Subordinate Loan Documents are substantially in the same forms as those submitted to, and approved by, Senior Lender prior to the date of this Agreement. Upon execution and delivery of the Subordinate Loan Documents, Borrower shall deliver to Senior Lender an executed copy of each of the Subordinate Loan Documents.

(e) Senior Loan Documents. Upon execution and delivery of the Senior Loan Documents, Borrower shall deliver to Subordinate Lender an executed copy of each of the Senior Loan Documents.

4. Terms of Subordination.

(a) Agreement to Subordinate. The Senior Lender and the Subordinate Lender agree that: (i) the indebtedness evidenced by the Subordinate Loan Documents is and shall be subordinated in right of payment, to the extent and in the manner provided in this Agreement to the prior payment in full of the indebtedness evidenced by the Senior Loan Documents, and (ii) the Subordinate Deed of Trust and the other Subordinate Loan

Documents are and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Senior Deed of Trust and the other Senior Loan Documents and to all advances heretofore made or which may hereafter be made pursuant to the Senior Deed of Trust and the other Senior Loan Documents (including but not limited to, all sums advanced for the purposes of (1) protecting or further securing the lien of the Senior Deed of Trust, curing defaults by the Borrower under the Senior Loan Documents or for any other purpose expressly permitted by the Senior Deed of Trust, or (2) constructing, renovating, repairing, furnishing, fixturing or equipping the Property).

(b) Subordination of Subrogation Rights. The Subordinate Lender agrees that if, by reason of its payment of real estate taxes or other monetary obligations of the Borrower, or by reason of its exercise of any other right or remedy under the Subordinate Loan Documents, it acquires by right of subrogation or otherwise a lien on the Property which (but for this subsection) would be senior to the lien of the Senior Deed of Trust, then, in that event, such lien shall be subject and subordinate to the lien of the Senior Deed of Trust.

(c) Payments Before Senior Loan Default. Until the Subordinate Lender receives a Default Notice of a Senior Loan Default from the Senior Lender, the Subordinate Lender shall be entitled to retain for its own account all payments made under or pursuant to the Subordinate Loan Documents. Such payments include scheduled principal payments and the Subordinate Lender agrees that the Subordinate Loans do not include any hyper-amortization feature. Such payments include simple, non-compounding, interest. Such payments are payable only from surplus cash flow after the payment of operating expenses, replacement reserve contributions, contributions to escrow accounts, and debt service on the Senior Loan from the operation of the Property.

(d) Payments After Senior Loan Default. The Borrower agrees that, after it receives notice (or otherwise acquires knowledge) of a Senior Loan Default, it will not make any payments under or pursuant to the Subordinate Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorney’s fees, or any other sums secured by the Subordinate Deed of Trust) without the Senior Lender’s prior written consent. The Subordinate Lender agrees that, after it receives a Default Notice from the Senior Lender with written instructions directing the Subordinate Lender not to accept payments from the Borrower on account of the Subordinate Loans, it will not accept any payments under or pursuant to the Subordinate Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorney’s fees, or any other sums secured by the Subordinate Deed of Trust) without the Senior Lender’s prior written consent. If the Subordinate Lender receives written notice from the Senior Lender that the Senior Loan Default which gave rise to the Subordinate Lender’s obligation not to accept payments has been cured, waived, or otherwise suspended by the Senior Lender, the restrictions on payment to the Subordinate Lender in this Section 4 shall terminate, and the Senior Lender shall have no right to any subsequent payments made to the Subordinate Lender by the Borrower prior to the Subordinate Lender’s receipt of a new Default Notice from the Senior Lender in accordance with the provisions of this Section 4(d).

(e) Remitting Subordinate Loan Payments to Senior Lender. If, after the Subordinate Lender receives a Default Notice from the Senior Lender in accordance with subsection (d) above, the Subordinate Lender receives any payments under the Subordinate Loan Documents, the Subordinate Lender agrees that such payment or other distribution will be received and held in trust for the Senior Lender and unless the Senior Lender otherwise notifies the Subordinate Lender in writing, will be promptly remitted, in kind to the Senior Lender, properly endorsed to the Senior Lender, to be applied to the principal of, interest on and other amounts due under the Senior Loan Documents in accordance with the provisions of the Senior Loan Documents. By executing this Agreement, the Borrower specifically authorizes the Subordinate Lender to endorse and remit any such payments to the Senior Lender, and specifically waives any and all rights to have such payments returned to the Borrower or credited against the Subordinate Loans. Borrower and Senior Lender acknowledge and agree that payments received by the Subordinate Lender, and remitted to the Senior Lender under this Section 4, shall not be applied or otherwise credited against the Subordinate Loans, nor shall the tender of such payment to the Senior Lender waive any Subordinate Loan Default which may arise from the inability of the Subordinate Lender to retain such payment or apply such payment to the Subordinate Loans.

(f) Agreement Not to Commence Bankruptcy Proceeding. The Subordinate Lender agrees that during the term of this Agreement it will not commence, or join with any other creditor in commencing any bankruptcy reorganization, arrangement, insolvency or liquidation proceedings with respect to the Borrower, without the Senior Lender's prior written consent.

5. Default Under Subordinate Loan Documents.

(a) Notice of Default and Cure Rights. The Subordinate Lender shall deliver to the Senior Lender a Default Notice within five Business Days in each case where the Subordinate Lender has given a Default Notice to the Borrower. Failure of the Subordinate Lender to send a Default Notice to the Senior Lender shall not prevent the exercise of the Subordinate Lender's rights and remedies under the Subordinate Loan Documents, subject to the provisions of this Agreement. The Senior Lender shall have the right, but not the obligation, to cure any Subordinate Loan Default within 60 days following the date of such notice; provided, however that the Subordinate Lender shall be entitled, during such 60-day period, to continue to pursue its rights and remedies under the Subordinate Loan Documents to the extent permitted under Section 5(b). All amounts paid by the Senior Lender in accordance with the Senior Loan Documents to cure a Subordinate Loan Default shall be deemed to have been advanced by the Senior Lender pursuant to, and shall be secured by the lien of, the Senior Deed of Trust.

(b) Subordinate Lender's Agreement to Standstill. If a Subordinate Loan Default occurs and is continuing, the Subordinate Lender agrees that, for a period of One Hundred and Eighty (180) days, it will not, without the Senior Lender's prior written consent, accelerate the Subordinate Loans, commence foreclosure proceedings with respect to the Property, collect rents, appoint (or seek the appointment of) a receiver or institute any other collection or enforcement action.

(c) Cross Default. The Borrower and the Subordinate Lender agree that a Subordinate Loan Default shall constitute a Senior Loan Default under the Senior Loan Documents and the Senior Lender shall have the right to exercise all rights or remedies under the Senior Loan Documents in the same manner as in the case of any other Senior Loan Default. If the Subordinate Lender notifies the Senior Lender in writing that any Subordinate Loan Default of which the Senior Lender has received a Default Notice has been cured or waived, as determined by the Subordinate Lender in its sole discretion, then provided that Senior Lender has not conducted a sale of the Property pursuant to its rights under the Senior Loan Documents, any Senior Loan Default under the Senior Loan Documents arising solely from such Subordinate Loan Default shall be deemed cured, and the Senior Loan shall be reinstated, provided, however, that the Senior Lender shall not be required to return or otherwise credit for the benefit of the Borrower any default rate interest or other default related charges or payments received by the Senior Lender during such Senior Loan Default.

6. Default Under Senior Loan Documents.

(a) Notice of Default and Cure Rights. The Senior Lender shall deliver to the Subordinate Lender a Default Notice within five Business Days in each case where the Senior Lender has given a Default Notice to the Borrower. Failure of the Senior Lender to send a Default Notice to the Subordinate Lender shall not prevent the exercise of the Senior Lender's rights and remedies under the Senior Loan Documents, subject to the provisions of this Agreement. The Subordinate Lender shall have the right, but not the obligation, to cure any such Senior Loan Default as provided below. Subordinate Lender may have up to 30 days from the date of the Default Notice to cure any monetary default under the Senior Loan Documents; provided, however, that the Senior Lender shall be entitled during such 30-day period to continue to pursue its remedies with respect to the Property. Subordinate Lender may have up to 60 days from the date of the Default Notice to cure a non-monetary default if during such 60-day period Subordinate Lender keeps current all payments required by the Senior Loan Documents. In the event that such a non-monetary default creates an unacceptable level of risk relative to the Property, or Senior Lender's secured position relative to the Property, as determined by Senior Lender in its sole discretion, then Senior Lender may exercise during such 60-day period all available rights and remedies to protect and preserve the Property and the rents, revenues and other proceeds from the Property. All amounts paid by the Subordinate Lender to the Senior Lender to cure a Senior Loan Default shall be deemed to have been advanced by the Subordinate Lender pursuant to, and shall be secured by the lien of, the Subordinate Deed of Trust.

(b) Cross Default. The Subordinate Lender agrees that, notwithstanding any contrary provision contained in the Subordinate Loan Documents, a Senior Loan Default shall not constitute a default under the Subordinate Loan Documents if no other default occurred under the Subordinate Loan Documents until either (i) the Senior Lender has accelerated the maturity of the Senior Loan, or (ii) the Senior Lender has taken affirmative action to exercise its rights under the Senior Deed of Trust to collect rent, to appoint (or seek the appointment of) a receiver or to foreclose on (or to exercise a power of sale contained in) the Senior Deed of Trust. At any time after a Senior Loan Default is determined to constitute a default under the Subordinate Loan Documents, the Subordinate Lender shall be permitted to pursue its remedies for default under the Subordinate Loan Documents, subject to the restrictions and limitations of this Agreement. If at any time the Borrower cures any Senior Loan Default to the satisfaction of the Senior Lender, as evidenced by written notice from the Senior lender to the Subordinate Lender, any default under the Subordinate Loan Documents arising from such Senior Loan Default shall be deemed cured and the Subordinate Loans shall be retroactively reinstated as if such Senior Loan Default had never occurred.

7. Conflict.

The Borrower, the Senior Lender and the Subordinate Lender each agrees that, in the event of any conflict or inconsistency between the terms of the Senior Loan Documents, the Subordinate Loan Documents and the terms of this Agreement, the terms of this Agreement shall govern and control solely as to the following: (a) the relative priority of the security interests of the Senior Lender and the Subordinate Lender in the Property; (b) the timing of the exercise of remedies by the Senior Lender and the Subordinate Lender under the Senior Deed of Trust and the Subordinate Deed of Trust, respectively; and (c) solely as between the Senior Lender and the Subordinate Lender, the notice requirements, cure rights, and the other rights and obligations which the Senior Lender and the Subordinate Lender have agreed to as expressly provided in this Agreement. Borrower acknowledges that the terms and provisions of this Agreement shall not, and shall not be deemed to: extend Borrower's time to cure any Senior Loan Default or Subordinate Loan Default, as the case may be; give the Borrower the right to notice of any Senior Loan Default or Subordinate Loan Default, as the case may be other than that, if any, provided, respectively under the Senior Loan Documents or the Subordinate Loan Documents; or create any other right or benefit for Borrower as against Senior Lender or Subordinate Lender.

8. Rights and Obligations of the Subordinate Lender Under the Subordinate Loan Documents and of the Senior Lender under the Senior Loan Documents.

Subject to each of the other terms of this Agreement, all of the following provisions shall supersede any provisions of the Subordinate Loan Documents covering the same subject matter:

(a) Protection of Security Interest. The Subordinate Lender shall not, without the prior written consent of the Senior Lender in each instance, take any action which has the effect of increasing the indebtedness outstanding under, or secured by, the Subordinate Loan Documents, except that the Subordinate Lender shall have the right to advance funds to cure Senior Loan Defaults pursuant to Section 6(a) above and advance funds pursuant to the Subordinate Deed of Trust for the purpose of paying real estate taxes and insurance premiums, making necessary repairs to the Property and curing other defaults by the Borrower under the Subordinate Loan Documents.

(b) Condemnation or Casualty. In the event of: a taking or threatened taking by condemnation or other exercise of eminent domain of all or a portion of the Property (collectively, a "Taking"); or the occurrence of a fire or other casualty resulting in damage to all or a portion of the Property (collectively, a "Casualty"), at any time or times when the Senior Deed of Trust remains a lien on the Property the following provisions shall apply:

(1) The Subordinate Lender hereby agrees that its rights (under the Subordinate Loan Documents or otherwise) to participate in any proceeding or action relating to a Taking and/or a Casualty, or to participate or join in any settlement of, or to adjust, any claims resulting from a Taking or a Casualty shall be and remain subordinate in all respects to the Senior Lender's rights under the Senior Loan Documents with respect thereto, and the Subordinate Lender shall be bound by any settlement or adjustment of a claim resulting from a Taking or a Casualty made by the Senior Lender; provided, however, this subsection and/or anything contained in this Agreement shall not limit the rights of the Subordinate Lender to file any pleadings, documents, claims or notices with the appropriate court with jurisdiction over the proposed Taking and/or Casualty; and

(2) all proceeds received or to be received on account of a Taking or a Casualty, or both, shall be applied (either to payment of the costs and expenses of repair and restoration or to payment of the Senior Loan) in the manner determined by the Senior Lender in its sole discretion; provided, however, that if the Senior Lender elects to apply such proceeds to payment of the principal of, interest on and other amounts payable under the Senior Loan, any proceeds remaining after the satisfaction in full of the principal of, interest on and other amounts payable under the Senior Loan shall be paid to, and may be applied by, the Subordinate Lender in accordance with the applicable provisions of the Subordinate Loan Documents, provided however, the Senior Lender agrees to consult with the Subordinate Lender in determining the application of Casualty proceeds, provided further however that in the event of any disagreement between the Senior Lender and the Subordinate Lender over the application of Casualty proceeds, the decision of the Senior Lender, in its sole discretion, shall prevail.

(c) No Modification of Subordinate Loan Documents. The Borrower and the Subordinate Lender each agrees that, until the principal of, interest on and all other amounts payable under the Senior Loan Documents have been paid in full, it will not, without the prior written consent of the Senior Lender in each instance, increase the amount of the Subordinate Loans, increase the required payments due under the Subordinate Loans, decrease the term of the Subordinate Loans, increase the interest rate on the Subordinate Loans, or otherwise amend the Subordinate Loans terms in a manner that creates an adverse effect upon the Senior Lender under the Senior Loan Documents. Any unauthorized amendment of the Subordinate Loan Documents or assignment of the Subordinate Lender's interest in the Subordinate Loans without the Senior Lender's consent shall be void ab initio and of no effect whatsoever and Subordinate Lender agrees that it shall not transfer or assign the Subordinate Loans or the Subordinate Loan Documents without the prior written consent of the Senior Lender.

9. Stabilization, Modification or Refinancing of Senior Loan.

The Subordinate Lender consents to any agreement or arrangement in which the Senior Lender waives, postpones, extends, reduces or modifies any provisions of the Senior Loan Documents, including any provision requiring the payment of money. Subordinate Lender further agrees that its agreement to subordinate hereunder shall extend to any new mortgage debt which is for the purpose of refinancing all or any part of the Senior Loan (including reasonable and necessary costs associated with the closing and/or the refinancing) and, in the event of new mortgage debt, Subordinate Lender shall execute and deliver to Senior Lender a new subordination agreement on the same terms and conditions as this Subordination Agreement.

10. Default by the Subordinate Lender or Senior Lender.

If the Subordinate Lender or Senior Lender defaults in performing or observing any of the terms, covenants or conditions to be performed or observed by it under this Agreement, the other, non-defaulting lender shall have the right to all available legal and equitable relief.

11. Notices.

Each notice, request, demand, consent, approval or other communication (hereinafter in this Section referred to collectively as "notices" and referred to singly as a "notice") which the Senior Lender or the Subordinate Lender is required or permitted to give to the other party pursuant to this Agreement shall be in writing and shall be deemed to have been duly and sufficiently given if: (a) personally delivered with proof of delivery thereof (any notice so delivered shall be deemed to have been received at the time so delivered); or (b) sent by Federal Express (or other similar national overnight courier) designating early morning delivery (any notice so delivered shall be deemed to have been received on the next Business Day following receipt by the courier); or (c) sent by United States registered or certified mail, return receipt requested, postage prepaid, at a post office regularly maintained by the United States Postal Service (any notice so sent shall be deemed to have been received two days after mailing in the United States), addressed to the respective parties as follows:

SENIOR LENDER:

Cedar Rapids Bank and Trust Company
500 1st Avenue NE, Suite 100
Cedar Rapids, Iowa 52401
Attention: Nick Svare

With a copy to:

Winthrop & Weinstine, P.A.
225 South 6th Street, Suite 3500
Minneapolis, Minnesota 55402
Attention: Holly A. Stocker, Esq.

SUBORDINATE LENDER:

Town of Frisco
P.O. Box 4100 (Mailing)
1 East Main Street (Physical)
Frisco, Colorado 80443
Attention: Community Development Director

With a copy to:

Thad W. Renaud, Esq.
Murray Dahl Beery & Renaud LLP
710 Kipling Street, Suite 300
Lakewood, CO 80215

Either party may, by notice given pursuant to this Section, change the person or persons and/or address or addresses, or designate an additional person or persons or an additional address or addresses for its notices, but notice of a change of address shall only be effective upon receipt.

12. General.

(a) Assignment/Successors. This Agreement shall be binding upon the Borrower, the Senior Lender and the Subordinate Lender and shall inure to the benefit of the respective legal successors and assigns of the Senior Lender and the Subordinate Lender.

(b) No Partnership or Joint Venture. The Senior Lender's permission for the placement of the Subordinate Loan Documents does not constitute the Senior Lender as a joint venturer or partner of the Subordinate Lender. Neither party hereto shall hold itself out as a partner, agent or Affiliate of the other party hereto.

(c) Senior Lender's and Subordinate Lender's Consent. Wherever the Senior Lender's consent or approval is required by any provision of this Agreement, such consent or approval may be granted or denied by the Senior Lender in its sole and absolute discretion, unless otherwise expressly provided in this Agreement. Wherever the Subordinate Lender's consent or approval is required by any provision of this Agreement, such consent or approval may be granted or denied by the Subordinate Lender in its sole and absolute discretion, unless otherwise expressly provided in this Agreement.

(d) Further Assurances. The Subordinate Lender, the Senior Lender and the Borrower each agree, at the Borrower's expense, to execute and deliver all additional instruments and/or documents reasonably required by any other party to this Agreement in order to evidence that the Subordinate Deed of Trust is subordinate to the lien, covenants and conditions of the Senior Deed of Trust, or to further evidence the intent of this Agreement.

(e) Amendment. This Agreement shall not be amended except by written instrument signed by all parties hereto.

(f) Governing Law. This Agreement shall be governed by the laws of the State in which the Property is located.

(g) Severable Provisions. If any provision of this Agreement shall be invalid or unenforceable to any extent, then the other provisions of this Agreement, shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

(h) Term. The term of this Agreement shall commence on the date hereof and shall continue until the earliest to occur of the following events: (i) the payment of all of the principal of, interest on and other amounts payable under the Senior Loan Documents; (ii) the payment of all of the principal of, interest on and other amounts payable under the Subordinate Loan Documents, other than by reason of payments which the Subordinate Lender is obligated to remit to the Senior Lender pursuant to Section 4 hereof; (iii) the acquisition by the Senior Lender of title to the Property pursuant to a foreclosure or a deed in lieu of foreclosure of, or the exercise of a power of sale contained in, the Senior Deed of Trust; or (iv) the acquisition by the Subordinate Lender of title to the Property pursuant to a foreclosure or a deed in lieu of foreclosure of, or the exercise of a power of sale contained in, the Subordinate Deed of Trust, but only if such acquisition of title does not violate any of the terms of this Agreement.

(i) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

SENIOR LENDER:

CEDAR RAPIDS BANK AND TRUST COMPANY, an Iowa state-chartered banking corporation

By: ________________________________
Nick Svare
Vice President

STATE OF IOWA)
)
COUNTY OF LINN)

The foregoing instrument was acknowledged before the this ___ day of ___________, ____ by Nick Svare, a Vice President of Cedar Rapids Bank and Trust Company, an Iowa state-chartered banking corporation, on behalf of said state-chartered banking corporation.

____
Notary Public

SUBORDINATE LENDER:

FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY,
a body corporate and politic

By: __________________________
Name: Elizabeth Skrzypzak-Adrian
Its: Vice Chairperson

STATE OF COLORADO)
) ss.
COUNTY OF SUMMIT)

The foregoing instrument was acknowledged before me this ____ day of July, 2026 by Elizabeth Skrzypzak-Adrian, as the Vice Chairperson of the Frisco Community Housing Development Authority, a body corporate and politic.

Witness my hand and official seal.

My commission expires:______________________________

____
Notary Public

(S E A L)

BORROWER:

WEST MAIN APARTMENTS LLLP, a
Colorado limited liability limited partnership

By: NHPF West Main GP, LLC, a
Colorado limited liability company, its
General Partner

By: The NHP Foundation, a
District of Columbia nonprofit
corporation, its Manager

By: ________________________________
John Welsh
Senior Vice President

DISTRICT OF COLUMBIA) ss.

The foregoing instrument was acknowledged before me this ____ day of ______________, ____by John Welsh, the Senior Vice President of The NHP Foundation, a District of Columbia nonprofit corporation, the Manager of NHPF West Main GP, LLC, a Colorado limited liability company, the General Partner of West Main Apartments LLLP, a Colorado limited liability limited partnership, for and on behalf of said limited liability limited partnership.

(SEAL)

____
Notary Public
My Commission Expires: _______________

EXHIBIT A

LEGAL DESCRIPTION

The "Property" **is a leasehold estate** over certain real property described in that certain Amended and Restated 101 West Main Ground Lease between the Town of Frisco, Colorado and West Main Apartments, LLLP, dated on or about ___,2026(the ("Ground Lease"). The leasehold estate encumbers real property described in the Ground Lease as:

Lot B-1, Amended West Frisco 70, Filing No. 2, according to the plat filed April 16, 1974 under reception no. 140796, County of Summit, State of Colorado, except for that portion of Lot B-1 that has been subdivided as the "Commercial Unit" under that certain subdivision plat recorded in the real property records for the County of Summit, Colorado, on __________,2026, under Reception Number _______

STAFF REPORT

TO:	**THE FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY**
FROM:	**JAMES GORHAM, ECONOMIC DEVELOPMENT MANAGER** **THAD RENAUD, TOWN ATTORNEY**
RE:	**SUBORDINATION AGREEMENT WITH US BANK FOR 101 WEST MAIN**
DATE:	**JULY 14, 2026**

Summary & Background:

Town staff is bringing forth the attached Subordination Agreement for 101 West Main Street, between US Bank (Senior Lender), the Frisco Community Housing Development Authority (Subordinate Lender or the Authority), and West Main Apartments LLLP (Borrower), for the affordable housing project located at 101 West Main Street for the Authority's consideration.

The Town of Frisco (Town) (and more recently the Authority) has been working with the NHP Foundation (NHPF) since staff from NHPF approached Town staff and Council on affordable housing opportunities in Frisco. The mission of NHPF is to "preserve and create sustainable, service-enriched multifamily housing that is affordable to low- and moderate-income families and seniors, and beneficial to their communities." This mission aligns with the Council's strategic plan to support a thriving economy by increasing workforce housing and enhancing community inclusivity by offering a variety of housing types to support year-round residents.

The Town and the Authority are currently working with NHPF on two affordable housing projects, located at 101 W Main and 602 Galena. Recognizing the strong need for all housing types and rental rates within Frisco, the Town has focused on ensuring that the two projects provide a range of affordable housing options to the community.

The 101 W Main project is projected to move forward in 2026 with 52 rental units at an income range of 30%, 50%, & 80% of the Summit County Area Median Income.

Analysis:

The agreement confirms that the Authority's loan (of approximately 1.05 million dollars) to West Main Apartments, LLLP, that was approved at the last meeting of the Authority on June 29, 2026, remains fully secured by a subordinate deed of trust while acknowledging that repayment of the senior loan has first priority. The Authority's subordinate lien will remain in place but will be junior to the senior lender's deed of trust throughout the term of the senior financing. The agreement establishes procedures for coordination between lenders in the event of a default. Both lenders are required to provide written notice of borrower defaults to one another and are afforded opportunities to cure defaults before enforcement actions may proceed. The Authority is granted the right to cure certain senior loan defaults, while the senior lender similarly receives the opportunity to cure defaults under the Authority's subordinate loan.

To protect the project's financial stability, the agreement includes a standstill period under which the Authority agrees not to accelerate its loan, initiate foreclosure proceedings, seek appointment of a receiver, or pursue other collection remedies without the senior lender's consent. This provision provides time for resolution of financial issues while protecting the senior lender's collateral position. The agreement also restricts payments to the Authority following a senior loan default. Once notified by the senior lender, the Authority may not accept payments on its subordinate loans without written authorization.

Additional provisions govern casualty losses, condemnation proceeds, loan modifications, refinancing, bankruptcy actions, and future assignments of the 's loans. The Authority may not modify its loan terms or transfer its loan interests without the senior lender's consent, ensuring consistency within the overall financing structure.

The agreement further clarifies that, in the event of any conflict between the senior loan documents, subordinate loan documents, and this agreement, the provisions of the Subordination Agreement controls with respect to lien priority, enforcement procedures, notice requirements, and lender rights. Overall, the agreement protects the interests of both lenders while providing a coordinated framework for administering the financing throughout the life of the project.

Financial Impact:
Execution of the agreement does not authorize additional Authority expenditures or increase the amount of the Authority's financial commitment.

Alignment with Strategic Plan:
The Plan touches on the following Strategic Objectives in the 2024-2028 Strategic Plan:
- Enhance Community Inclusivity
- Support a Thriving Economy

Staff Recommendation:
Staff requests the Authority consider and approve the Subordination Agreement with US Bank for 101 W. Main.

Reviews and Approvals:

- Tom Fisher, Town Manager

Attachments:

- Attachment 1 – Subordination Agreement with US Bank

WHEN RECORDED MAIL TO:

Kutak Rock LLP
1650 Farnam Street
Omaha, Nebraska 68102
Attn: Alison Seaborne

(SPACE ABOVE FOR RECORDER'S USE)

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN CERTAIN INTERESTS IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS SUBORDINATION AGREEMENT ("***Agreement***") is made as of [______________], 2026, by and among **WEST MAIN APARTMENTS LLLP**, a Colorado limited liability limited partnership ("***Borrower***"), **FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY**, a body corporate and politic ("***Junior Lienholder***"), and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association ("***Bank***").

RECITALS

A. Borrower owns a leasehold interest in, and intends to construct, a 52-unit affordable housing apartment project (the "***Project***") located on the real property described on **<u>Exhibit A</u>** attached hereto (the leasehold is hereinafter referred to as the "***Property***").

B. Borrower has applied to Bank for a loan in the maximum principal amount of [$_______________] (the "***Loan***"), for the purpose of financing a portion of the costs of the acquisition and construction of the Project.

C. Borrower and Bank have entered into that Construction Loan Agreement dated as of the date hereof (as the same from time to time may be amended, modified, extended, renewed or restated, the "***Loan Agreement***").

D. Borrower's obligations to repay the Loan are further evidenced by that certain Construction Loan Promissory Note dated as of even date herewith executed by Borrower and payable to Bank in the original principal amount of the Loan (the "***Note***").

E. Borrower's obligations to Bank under the Loan Agreement and the Note are secured by, among other things, (i) that certain Leasehold Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated as of even date herewith made by Borrower for the benefit of Bank (the "***Senior Mortgage***"), and (ii) the Loan Documents described in the Loan Agreement. The Senior Mortgage is being recorded substantially concurrently herewith in the official records of the County of Summit, State of Colorado ("***Official Records***"). The Senior Mortgage, the Loan Agreement, the Note and the other Loan Documents (as defined in the Loan Agreement) are hereinafter collectively referred to as the "***Senior Loan Documents***".

F. Each of the documents listed on Exhibit B together with all other documents and materials entered into with Junior Lienholder with respect to the Project shall be referred to collectively as the "***Junior Obligation Documents***".

G. As used herein, the term "***Junior Obligations***" means any and all indebtedness, claims, debts, liabilities or other obligations from Borrower to Junior Lienholder under the Junior Obligation Documents, together with all costs and expenses, including attorneys' fees, of collection thereof, whether the same accrues or is incurred before or after the commencement of any bankruptcy case by or against Borrower.

H. As used herein, the term "***Bank Indebtedness***" means any and all indebtedness, claims, debts, liabilities or other obligations from Borrower to Bank under the Senior Loan Documents, together with all interest accruing thereon and all costs and expenses, including attorneys' fees, of collection thereof, whether the same accrues or is incurred before or after the commencement of any bankruptcy case by or against Borrower.

I. Pursuant to the Senior Mortgage and the other Senior Loan Documents, Borrower is not entitled to further encumber the Property without the prior written consent of Bank, which consent may be withheld in Bank's sole discretion.

J. It is a condition precedent to Bank to entering into the Senior Loan Documents and permitting the recordation of any of the Junior Obligation Documents that the Senior Mortgage and the other Senior Loan Documents be and remain at all times a lien or charge upon the Property, prior and superior to the liens or charges of the Junior Obligation Documents.

K. Bank is willing to permit the recordation of the recordable Junior Obligation Documents, provided that (1) the Senior Mortgage and the other Senior Loan Documents are a lien or charge upon the Property prior and superior to the liens or charges of the Junior Obligation Documents, and (2) Junior Lienholder will specifically subordinate the liens or charges of the Junior Obligation Documents to the lien or charge of the Senior Loan Documents.

L. Junior Lienholder is willing to agree that the Senior Loan Documents shall constitute a lien or charge upon the Property which is prior and superior to the liens or charges of the Junior Obligation Documents. The parties hereto enter into this Agreement for the purposes set forth in these Recitals.

M. Capitalized terms used herein and not otherwise defined shall have the meanings set forth for them in the Loan Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Bank to make the Loan, it is hereby declared, understood, and agreed as follows:

1. Subordination. The Senior Mortgage in favor of Bank, and all amendments, modifications, extensions and renewals thereof shall unconditionally be and remain at all times a lien or charge on the Property prior and superior to the lien or charge of the Junior Obligation Documents. Junior Lienholder intentionally and unconditionally subordinates the lien or charge of the Junior Obligation Documents in favor of the lien or charge upon said land of the Senior Mortgage in favor of Bank, and understands that in reliance upon and in consideration of this subordination, specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this subordination.

2. Only Agreement Regarding Subordination. Bank would not enter into the Senior Loan Documents or permit the recordation of any Junior Obligation Documents without this Agreement. This Agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the Junior Obligation Documents to the lien or charge of the Senior Mortgage (except with respect to the subordination provisions contained in the Junior Obligation Documents, to the extent not inconsistent with any provision of this Agreement; and, in accordance therewith, Junior Lienholder acknowledges that Senior Lienholder is the holder of a First Mortgage (as such term is defined in the Town Declaration) and shall have all rights afforded to the holder of a First Mortgage thereunder.

3. Loan Disbursements. In making disbursements pursuant to any of the Senior Loan Documents, Bank is under no obligation or duty to, nor has Bank represented that it will, see to the application of such proceeds by the person or persons to whom Bank disburses such proceeds, and any application or use of such proceeds for purposes other than those provided for in such Senior Loan Documents shall not defeat the subordination herein made in whole or in part.

4. Consent and Approval. Junior Lienholder has received and consents to and approves the Senior Loan Documents, including but not limited to any extension, modification and/or amendment of said agreements, between Borrower and Bank. No decision by Junior Lienholder to review or not review the Senior Loan Documents, including but not limited to the disbursement provisions contained therein, shall impair or otherwise limit the enforceability of this Agreement.

5. Other Agreements. Junior Lienholder and Borrower declare, agree, and acknowledge that:

5.1 Subordination of Indebtedness. Any and all Junior Obligations are hereby subordinated and subject to any and all Bank Indebtedness, as set forth herein.

5.2 Permitted Payments. Borrower may make payments under the Junior Obligation Documents, if required, as long as all payments under the Senior Mortgage and the other Senior Loan Documents are current and not delinquent or in arrears, and only so long as at the time of such payment: (i) no Event of Default exists under the Loan Agreement and no event exists which, with the lapse of time or the giving of notice or both, would be an Event of Default under the Bank Indebtedness of which Junior Lienholder has received notice; and (ii) the payment would not result in a violation of any of Borrower's financial covenants set forth in any of the documents evidencing the Loan ("***Permitted Payments***").

5.3 Payment Subordination. Except for any Permitted Payments, (a) all of the Bank Indebtedness now or hereafter existing shall be first paid in full by Borrower before any payment shall be made by Borrower on the Junior Obligations, and (b) this priority of payment shall apply at all times until all of the Bank Indebtedness has been repaid in full. In the event of any assignment by Borrower for the benefit of Borrower's creditors, or any bankruptcy proceedings instituted by or against Borrower, or the appointment of any receiver for Borrower or Borrower's business or assets, or of any dissolution or other winding up of the affairs of Borrower or of Borrower's business, and in all such cases respectively, Borrower's officers and any assignee, trustee in bankruptcy, receiver and other person or persons in charge are hereby directed to pay to Bank the full amount of the Bank Indebtedness before making any payments to Junior Lienholder due under the Junior Obligations.

5.4 Return of Prohibited Payments. Except as otherwise expressly agreed to herein, if Junior Lienholder shall receive any payments or other rights in any property of Borrower in connection with the Junior Obligations in violation of this Agreement, such payment or property shall immediately be delivered and transferred to Bank after notice to Junior Lienholder.

5.5 Repayment of Bank Indebtedness. This Agreement shall remain in full force and effect until all amounts due under the Note and the Loan Agreement are fully repaid in accordance with the terms of the Senior Loan Documents and all of the terms of this Agreement have been complied with.

5.6 Standstill. Junior Lienholder agrees that, without the Bank's prior written consent, it will not: (i) accelerate the Junior Obligations, (ii) commence foreclosure proceedings with respect to the Property, (iii) collect rents, (iv) appoint (or seek the appointment of) a receiver, or (v) institute any other collection or enforcement action, whether under the Junior Obligation Documents.

5.7 Assignment or Modification of Junior Obligation Documents. The Borrower and Junior Lienholder each agree that, until the principal of, interest on and all other amounts payable under the Senior Loan Documents have been paid in full, it will not, without the prior written consent of the Bank in each instance, amend or modify any provision of the Junior Obligation Documents or the Town Declaration. Junior Lienholder further agrees that it may not assign any portion of its interest in the Junior Obligation Documents or the Town Declaration without the prior written consent of Bank.

5.8 Assignment or Modification of Loan and Senior Loan Documents. Junior Lienholder acknowledges and agrees that Bank, at any time, shall have the right to sell, assign, transfer, or negotiate the Loan and the Senior Loan Documents, in whole or in part, and to grant participation interests in the Loan and the Senior Loan Documents, without the consent of Junior Lienholder. Junior Lienholder acknowledges and agrees that Bank may amend or modify any provision of the Senior Loan Documents without the consent of Junior Lienholder.

6. Bank Agreements.

6.1 Bank agrees that it shall not complete a foreclosure sale of the Property or record a deed-in-lieu of foreclosure with respect to the Property (each, a "***Foreclosure Remedy***") unless Junior Lienholder has first been given thirty (30) days written notice of the Event(s) of Default giving Bank the right to complete such Foreclosure Remedy, and unless Junior Lienholder has failed, within such thirty (30) day period, to cure such Event(s) of Default; provided, however, that Bank shall be entitled during such thirty (30) day period to continue to pursue all of its rights and remedies under the Senior Loan Documents, including, but not limited to, acceleration of the Loan (subject to any de-acceleration provisions specifically set forth in the Senior Loan Documents), commencement and pursuit of a judicial or non-judicial foreclosure (but not completion of the foreclosure sale), appointment of a receiver, enforcement of any guaranty (subject to any notice and cure provisions contained therein), and/or enforcement of any other Senior Loan Document. In the event Bank has accelerated the Loan and Junior Lienholder cures all Events of Default giving rise to such acceleration within the thirty (30) day cure period described above, such cure shall have the effect of de-accelerating the Loan; provided, however, that such de-acceleration shall not waive or limit any of Bank's rights to accelerate the Loan or exercise any other remedies under the Senior Loan Documents as to any future or continuing Events of Default. It is the express intent of the parties hereunder that Bank shall have the right to pursue all rights and remedies except completion of a Foreclosure Remedy without liability to Junior Lienholder for failure to provide timely notice to Junior Lienholder required hereunder, and that Bank's liability hereunder shall be expressly limited to actual and consequential damages to Junior Lienholder directly caused by Bank's completion of a Foreclosure Remedy without Junior Lienholder receiving the notice and opportunity to cure described above. Provided a Foreclosure Remedy is completed in accordance with this Section 6.1, Junior Lienholder agrees that a Foreclosure Remedy and the transfer of the Property pursuant to the Foreclosure Remedy will not violate the limitations on transfers set forth in the Junior Obligation Documents or the Town Declaration. Bank shall give Junior Lienholder notice at the address set forth below or such other address as Junior Lienholder may instruct Bank in writing from time to time:

Frisco Community Housing Development Authority
PO Box 4100
Frisco, Colorado 80443
Attention: Frisco Town Manager

6.2 Junior Lienholder shall also have the right, during the thirty (30) day cure period described in Section 6.1, above, to elect, by delivering irrevocable written notice ("***Election Notice***") of its election to Bank, to purchase the Loan from Bank for a purchase price ("***Senior Loan Purchase Price***") equal to the sum of (i) the outstanding principal balance of the Loan on the Closing Date (as defined below), plus (ii) all accrued and unpaid interest on the Loan through and including the Closing Date, plus (iii) all other accrued and unpaid fees, costs and expenses payable by Borrower under the Senior Loan Documents, plus (iv) all costs and expenses incurred by Bank in connection with the sale of the Loan to Junior Lienholder. The sale of the Loan by Bank to Junior Lienholder under this Section shall be made (a) without recourse, representation or warranty by Bank of any kind, express or implied, and (b) close on the date ("***Closing Date***") which is fifteen (15) days after Junior Lienholder gives the Election Notice to Bank. On the Closing Date, Junior Lienholder shall pay to Bank, in immediately available funds and lawful monies of the United States of America, the Senior Loan Purchase Price. Junior Lienholder shall give Bank the notice required under this Section 6.2 in accordance with the Note.

7. Bankruptcy Provisions.

7.1 In the event of any proceedings to liquidate, dissolve or wind up the Borrower, or of any execution, sale, receivership, insolvency, bankruptcy, liquidation, readjustment, reorganization, or other similar proceedings relative to the Borrower or its property (a "***Bankruptcy Proceeding***"), to the fullest extent permitted by law, the payment and lien priorities set forth in this Agreement shall be respected and enforced in any such Bankruptcy Proceeding, and Junior Lienholder and Borrower agree not to contest such priorities in any Bankruptcy Proceeding. Without limitation to the foregoing, the Loan shall be preferred in payment over all of the Junior Obligations and shall be paid in full before any payment is made upon any of the Junior Obligations; and any payment or distribution of any kind or character, whether in cash, property or securities, made upon or in respect of any of the Junior Obligations as a result of any such proceeding shall be paid over to the Bank for application in payment of the Loan unless and until the Loan shall have been paid or satisfied in full. Junior Lienholder agrees that during the term of this Agreement it will not commence, or join with any other creditor in commencing, any Bankruptcy Proceeding with respect to the Borrower without (i) sixty (60) days prior written notice to the Bank of such intent, and (ii) indefeasible payment in full of the outstanding principal balance of and all accrued and unpaid interest under the Loan, together with all other amounts secured by the Senior Mortgage. Upon the occurrence of any Bankruptcy Proceeding with respect to the Borrower, Junior Lienholder agrees to fully cooperate with Bank in connection with such Bankruptcy Proceeding and to refrain from taking any actions which are inconsistent with the agreements contained in this Agreement. Without limitation to the foregoing, Junior Lienholder shall (i) consent to and vote in favor of any and all actions taken by Bank in any Bankruptcy Proceeding to permit the commencement or continuation of any foreclosure of the Senior Mortgage; and (ii) not propose any plan, or vote to confirm or take any other action in support of any plan or other course of action proposed by Borrower or any other party (other than Bank), which would have the effect of (A) impairing the priority or lien of the Loan, or (B) delaying, preventing, limiting, requiring a reduction in the amount of or impairing Bank's collection of all or any portion of the Loan.

7.2 To the extent any payment under any Senior Loan Document (whether by or on behalf of Borrower, as proceeds of security or enforcement of any right of set-off, or otherwise) is declared to be fraudulent or preferential, set aside or required to be paid to a trustee, receiver or other similar party in any Bankruptcy Proceeding, then if such payment is recovered by, or paid over to, such trustee, receiver or other similar party, the Bank Indebtedness or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as if such payment had not occurred.

8. Casualty Insurance Proceeds; Condemnation Proceeds. In the event Bank shall release, for the purposes of restoration of all or any part of the improvements, its right, title and interest in and to the proceeds under policies of insurance thereon, and/or its right, title and interest in and to any awards, or its right, title and interest in and to other compensation made for any damages, losses or compensation for other rights by reason of a taking in eminent domain, Junior Lienholder shall simultaneously release (and hereby agrees that it shall be irrevocably and unconditionally deemed to have agreed to release) for such purpose all of Junior Lienholder's right, title and interest, if any, in and to all such insurance proceeds, awards or compensation. Junior Lienholder agrees that the balance of such proceeds remaining after such restoration, or all of such proceeds in the event Bank elects, in accordance with Colorado law, not to release any such proceeds for any such restoration, shall be applied to the payment of amounts due under the Senior Loan Documents until all such amounts have been paid in full, prior to being applied to the payment of any amounts due under the Junior Obligation Documents. If Bank holds such proceeds, awards or compensation and/or monitors the disbursement thereof, Junior Lienholder agrees that Bank may also elect, in its sole and absolute discretion, to hold and monitor the disbursement of such proceeds, awards and compensation to which Junior Lienholder is or may be entitled. Nothing contained in this Agreement shall be deemed to require Bank, in any way whatsoever, to act for or on behalf of Junior Lienholder or to hold or monitor any proceeds, awards or compensation in trust for or on behalf of Junior Lienholder, and all or any of such sums so held or monitored may be commingled with any funds of Bank.

9. Effect of Other Agreements. The relationship between Borrower and Bank under the Senior Loan Documents is, and shall at all times remain, solely that of borrower and lender. Based thereon, Junior Lienholder acknowledges and agrees that Bank neither undertakes nor assumes any fiduciary responsibility or other responsibility or duty to Borrower or Junior Lienholder to guarantee or assist in Borrower's or Junior Lienholder's performance under any of the agreements between those parties and other third parties, including without limitation the Junior Obligation Documents.

10. Miscellaneous. This Agreement may be executed in multiple counterparts and the signature page(s) and acknowledgment(s) assembled into one original document for recordation, and the validity hereof shall not be impaired by reason of such execution in multiple counterparts. This Agreement is to be governed according to the laws of the State of Colorado. In the event of action, suit, proceeding or arbitration to enforce any term of this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party, as determined by the court or arbitrator, all of the prevailing party's costs and expenses, including without limitation attorneys' fees and expert witness fees, incurred by the prevailing party in connection therewith. If Junior Lienholder or any affiliate of Junior Lienholder shall acquire, by indemnification, subrogation or otherwise, any lien, estate, right or other interest in the Property, that lien, estate, right or other interest shall be subordinate to Senior Mortgage and the other Senior Loan Documents as provided herein, and Junior Lienholder hereby waives, on behalf of itself and such affiliate, until all amounts owed under the Senior Loan Documents have been indefeasibly paid in full and all Bank's obligations to extend credit under the Senior Loan Documents have terminated, the right to exercise any and all such rights it may acquire by indemnification, subrogation or otherwise. The Agreement shall inure to the benefit of, and the binding upon, the parties hereto and the respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

BORROWER:

WEST MAIN APARTMENTS LLLP, a Colorado limited liability limited partnership

By: NHPF West Main GP, LLC, a Colorado limited liability company, its General Partner

By: The NHP Foundation, a District of Columbia non-profit corporation, its Managing Member

By: ______________________________
Name: John Welsh
Its: Senior Vice President

ACKNOWLEDGMENT

STATE OF [_______________])

) ss.

COUNTY OF [_______________])

The foregoing instrument was acknowledged before me this _____ day of _______________, 2026, by John Welsh, as Senior Vice President of The NHP Foundation, a District of Columbia nonprofit corporation, as Managing Member of NHPF West Main GP, LLC, a Colorado limited liability company, as General Partner of West Main Apartments LLLP, a Colorado limited liability limited partnership of West Main Apartments LLLP, a Colorado limited liability limited partnership.

Witness my hand and official seal.

My commission expires: ______________________________.

____

Notary Public

JUNIOR LIENHOLDER:

FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY, a body corporate and politic

By: ____________________________________
Name: Elizabeth Skrzypczak-Adrian
Title: Vice Chairperson

ACKNOWLEDGMENT

State of Colorado)
)
County of Summit)

This instrument was acknowledged before me on or about this _____ day of _____________, 2026, by Elizabeth Skrzypczak-Adrian as Vice Chairperson of the Frisco Community Housing Development Authority, a Colorado body corporate and politic.

Witness my hand and seal.

My commission expires: _____________________

____
Notary Public

BANK:

U.S. BANK NATIONAL ASSOCIATION,
a national banking association

By: ______________________________________
Name: Jennifer Kelly-Saeger
Title: Vice President

STATE OF _____________)
) SS.
COUNTY OF _________)

The undersigned, a Notary Public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Jennifer Kelly-Saeger, the Vice President of U.S. BANK NATIONAL ASSOCIATION, a national banking association, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed and delivered said instrument as his/her own free and voluntary act and as the free and voluntary act of said bank, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this _________day of _________________, 2026.

____

Notary Public

My Commission Expires:

____

EXHIBIT A

Legal Description

HOUSING UNIT, 101 W. MAIN SMALL PLANNED COMMUNITY, ACCORDING TO THE PLANNED COMMUNITY DECLARATION RECORDED _________, 2026 IN THE OFFICE OF THE CLERK AND RECORDER OF SUMMIT COUNTY, COLORADO, AT RECEPTION NO. __________, AND THE PLANNED COMMUNITY MAP FOR 101 W. MAIN SMALL PLANNED COMMUNITY RECORDED _________, 2026 IN SUCH OFFICE AT RECEPTION NO. _________, AS AMENDED AND SUPPLEMENTED FROM TIME TO TIME AS PERMITTED UNDER SUCH DECLARATION;

AND

COMMERCIAL UNIT, 101 W. MAIN SMALL PLANNED COMMUNITY, ACCORDING TO THE PLANNED COMMUNITY DECLARATION RECORDED _________, 2026 IN THE OFFICE OF THE CLERK AND RECORDER OF SUMMIT COUNTY, COLORADO, AT RECEPTION NO. __________, AND THE PLANNED COMMUNITY MAP FOR 101 W. MAIN SMALL PLANNED COMMUNITY RECORDED _________, 2026 IN SUCH OFFICE AT RECEPTION NO. _________, AS AMENDED AND SUPPLEMENTED FROM TIME TO TIME AS PERMITTED UNDER SUCH DECLARATION.

EXHIBIT B

Capital Loan Documents

All documents dated on or about the date hereof:

1. Leasehold Deed of Trust, Security Agreement, Financing Statement and Assignment of Rents executed by Borrower in favor of Junior Lienholder.
2. Promissory Note dated as of [_______________], 2026, executed by Borrower in favor of Junior Lienholder, in the face principal amount of $[1,055,877.00].

4906-4075-9481.2

STAFF REPORT

TO: FCHDA COMMISSIONERS

FROM: JAMES GORHAM, ECONOMIC DEVELOPMENT MANAGER
THAD RENAUD, TOWN ATTORNEY

RE: REVISED DEED OF TRUST FOR STRONG COMMUNITIES LOAN FOR 101 WEST MAIN

DATE: JULY 14, 2026

Summary & Background:

At its meeting on June 29, 2026 the Authority approved a loan of approximately 1.05 million dollars to West Main Apartments, LLLP as set forth in a Promissory Note and Deed of Trust Agreement between the Frisco Community Development Housing Authority and West Main Apartments LLLP that was presented at that meeting. Since that approval, another lender for the project has requested certain changes to the Deed of Trust Agreement that are set forth in section 9.17 of the attached, revised Leasehold Deed of Trust, Security Agreement, Financing Statement and Assignment of Rents and Leases (the "Deed of Trust"). Those changes allow for the transfer of interests in West Main Apartments LLLP without the consent of the FCHDA and without causing a default under the loan agreements. This provision is intended to protect the interests of the senior lender in the event that the senior lender needed to enforce its rights under separate loan agreements between the lender and the borrower, West Main Apartments LLLP.

Following is all of the information that was provided to the Authority in connection with its approval of the subject loan at its June 29 meeting, but the only item to be acted on today is the attached Deed of Trust as a replacement for the previously approve version.

The Town of Frisco (Town) has been working with the NHP Foundation (NHPF) since early 2023 when staff from NHPF approached Town staff and Council on affordable housing opportunities in Frisco. The mission of NHPF is to "preserve and create sustainable, service-enriched multifamily housing that is affordable to low- and moderate-income families and seniors, and beneficial to their communities." This mission aligns with the Council's strategic plan to support a thriving economy by increasing workforce housing and enhancing community inclusivity by offering a variety of housing types to support year-round residents.

The Town is currently working with NHPF on two affordable housing projects, located at 101 W Main and 602 Galena. Recognizing the strong need for all housing types and rental rates within Frisco, the Town has focused on ensuring that the two projects provide a range of affordable housing options to the community.

The 101 W Main project is projected to move forward in 2026 with 52 rental units at an income range of 30%, 50%, & 80% of the Summit County Area Median Income.

Analysis:

In 2024 the Town was awarded a "Strong Communities" grant from the Colorado Department of Local Affairs (DOLA) in the amount of $4 million. The grant is currently being utilized for public improvements associated with the Town's two affordable housing projects. One located at 602 Galena, the other located at 101 West Main. The presented Promissory Note and Deed of Trust are associated only for the 101 West Main project. Expenses incurred by the 101 West Main project, in utilization of this loan, will be reimbursed by the awarded Strong Communities grant, administered by DOLA.

To facilitate the Low Income Housing Tax Credit (LIHTC) financing, West Main Apartments LLLP will execute a Promissory Note and Leasehold Deed of Trust, Security Agreement, Financing Statement, and Assignment of Rents and Leases in favor of the FCHDA. Together, these documents establish the terms of the loan and provide security for repayment while protecting the public investment in the project.

The FCHDA subordinate loan is intended to help close a financing gap and support construction of the project. The Promissory Note establishes the loan amount, interest rate, repayment terms, and default provisions, while the Leasehold Deed of Trust secures the loan with the borrower's leasehold interest, project improvements, rents, and other project assets.

The proposed financing package includes a subordinate loan from the Frisco Community Housing Development Authority to West Main Apartments LLLP in the amount of $1,055,887. The loan accrues simple interest at a rate of one percent (1%) annually and matures on the later of the maturity date of the senior LIHTC permanent mortgage or thirty years following the LIHTC closing.

Financial Impact:

The FCHDA will provide a subordinate loan of $1,055,887 to support development of the 101 West Main affordable housing project. Funds from the DOLA Strong Communities Grant will provide reimbursement of the expenses incurred.

Alignment with Strategic Plan:

The Plan touches on the following Strategic Objectives in the 2024-2028 Strategic Plan:

- Enhance Community Inclusivity
- Support a Thriving Economy

Staff Recommendation:

Staff requests the FCHDA Commissioners review and approve the attached, revised version of the Deed of Trust for the Strong Communities Loan for the project at 101 West Main.

Reviews and Approvals:

- Tom Fisher, Executive Director

Attachments:

- Attachment 1 – Strong Communities Loan – Leasehold Deed of Trust

After recording, return to:
Frisco Community Housing Development Authority
P.O. Box 4100
Frisco, Colorado 80443
Attn: Executive Director

LEASEHOLD DEED OF TRUST, SECURITY AGREEMENT, FINANCING STATEMENT AND ASSIGNMENT OF RENTS AND LEASES

THIS LEASEHOLD DEED OF TRUST, SECURITY AGREEMENT, FINANCING STATEMENT, AND ASSIGNMENT OF RENTS AND LEASES (this "Deed of Trust") is given as of July _____, 2026, by

WEST MAIN APARTMENTS LLLP, a Colorado limited liability limited partnership ("Borrower"), to the **PUBLIC TRUSTEE FOR THE CITY AND COUNTY OF SUMMIT, STATE OF COLORADO** (the "Public Trustee"), for the use and benefit of **FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY**, a body corporate and politic ("Lender").

RECITALS

A. Borrower has requested that Lender provide subordinate financing to assist in the development of the Real Property (as defined hereunder) in the Town of Frisco, Colorado including all the improvements located thereon (the "Improvements"), to provide fifty-two (52) units of affordable housing and commercial space, and ancillary amenities thereto.

B. Lender has determined to assist in the financing of the development of the Real Property and the Improvements (together, the "Project") by loaning to Borrower the original principal amount of One Million Fifty Five Thousand Eight Hundred Eighty-Seven and 00/100 Dollars ($1,055,887.00) (the "Loan"), upon the terms and conditions of that certain Promissory Note dated even herewith by Borrower payable to the order of Lender, together with all renewals, extensions, and modifications of the same (the "Note", and together with this Deed of Trust, the "Loan Documents"). The principal balance, together with accrued interest and all other amounts due on the Loan, shall be due and payable in full on the Maturity Date set forth in the Note.

ARTICLE 1.
PARTIES, PROPERTY, AND DEFINITIONS

The following terms and references shall have the meanings indicated:

1.1 Real Property: The leasehold interest in the real property described in Exhibit A, attached hereto and by this reference incorporated herein, together with all leasehold right, title and interest of Borrower in the following with respect to the real property, whether now owned or hereafter acquired by Borrower:

(a) all improvements now or hereafter located on such real property and all easements and appurtenances thereto;

(b) the land lying within any street or roadway adjoining the real property; any vacated or hereafter vacated street or alley adjoining the real property; and any strips and gores adjoining the real property;

(c) all and singular the passages, waters, water rights (whether tributary or non-tributary or not non-tributary), water courses, riparian rights, wells, well permits, water stock, other rights, liberties and privileges thereof or in any way now or hereafter appertaining to the real property, including homestead and any other claim at law or in equity, as well as any after-acquired title, franchise or license, and the reversion and reversions and remainder and remainders thereof; and

(d) excepting the personal property of any tenants and residents, all machinery, apparatus, equipment, fittings, fixtures (whether actually or constructively attached or incorporated, and including all trade, domestic, and ornamental fixtures) now or hereafter located in, upon, or under such real property or improvements and used or usable in connection with any present or future operation thereof, including but not limited to all lighting, utility, and power equipment; engines; pipes; pumps; tanks; motors; conduits; utility systems, plumbing, lifting, cleaning, fire prevention, fire extinguishing, signage, heating, air-conditioning; communication apparatus; water heaters; ranges; furnaces; appliances, refrigerators, stoves; shades, awnings, screens, storm doors and windows; attached cabinets; rugs, carpets and draperies and all additions thereto and replacements therefor.

1.2 Chattels: All goods, trade fixtures, fixtures, inventory, furnishings, fittings, machinery, apparatus, equipment, building and other construction materials, supplies, and other tangible personal property of every nature now owned or hereafter acquired by Borrower and used, intended for use, or reasonably required in the development, construction, reconstruction, alteration, repair, or operation of the Property and any improvements or infrastructure located thereon, together with all accessions thereto, replacements and substitutions therefor, and proceeds thereof, including, without limitation, to the extent not deemed to be real property under this Deed of Trust, all apparatus, machinery, motors, elevators, fittings, equipment, and other furnishings and all plumbing, heating, lighting, cooking, laundry, ventilating, refrigerating, incinerating, air-conditioning and sprinkler equipment and fixtures, lawn or deck chairs, towels, maintenance equipment, and recreational and fitness equipment.

1.3 Intangible Personalty: All right, title and interest of the Borrower in and to the following, with respect to the Real Property:

(a) all of the rents, royalties, income (including, without limitation, operating income), receipts, revenues, issues, and profits of and from the use, operation, or enjoyment of such real property and improvements (collectively, the "Income"), whether such Income is attributable to the period, or is collected, prior to or subsequent to any default by Borrower;

(b) all plans and specifications for the improvements on the real property; soil, environmental, engineering, land planning maps, surveys and other studies and reports concerning the real property or prepared for the orderly planning and development of the real property, including all plans, drawings and studies concerning the platting or replatting of the real property; all contracts and subcontracts relating to the improvements on the real property, or any thereof;

(c) all awards and payments, including interest thereon, resulting from the exercise of any right of eminent domain or any other public or private taking of, casualty or injury to, or decrease in the value of, any of such real property, including without limitation all property insurance payments, proceeds and policies related to such real property;

(d) all of the licenses, permits, franchises, and other entitlements to use and all rights thereto which have been issued by or which are pending before any governmental or quasi-governmental agency which are necessary or appropriate for the Property;

(e) all funds, accounts, operating accounts, accounts receivable, deposit accounts, escrow accounts, monies, claims, causes of action, rights to payment, prepaid insurance and other prepaid items, contracts, contract rights, refunds and rebates, maintenance contracts, maintenance warranties, continuing agreements, security deposits, general intangibles and payment intangibles associated with the property, letter of credit rights and insurance proceeds;

(f) all water taps, sewer taps, building permits, curb cut permits, storm water discharge permits, refunds, rebates or deposits due or to become due from any utility companies or governmental entity;

(g) the absolute right to Borrower's interest in any trade name used by Borrower in connection with the Property and all of Borrower's rights in and to contract rights, leases, concessions, trade names, trademarks, service marks, logos, operating systems, trade secrets, technology and technical information, copyrights, warranties, licenses, plans, drawings and other items of intangible personal property relating to the ownership or operation of the Property; and

(h) all other and greater rights and interests of every nature in such property and in the possession or use thereof and income therefrom, whether now owned or subsequently acquired by Borrower.

1.4 Property: The Real Property, the Chattels and the Intangible Personalty are sometimes collectively called the "Property." It is specifically understood that the enumeration of any specific articles of the Property, including Chattels and Intangible Personalty shall in no way exclude or be held to exclude any items of property not specifically mentioned. All of the Real Property, Chattels and Intangible Personalty, whether affixed or annexed or not, and all rights hereby conveyed and mortgaged are intended to be as a unit and are hereby understood and agreed and declared to be appropriated to the use of the real estate, and shall for the purposes of this Deed of Trust be deemed to be real estate and conveyed and mortgaged hereby.

1.5 Secured Obligations: The Property is granted and shall be held for the purpose of securing the following (the "Secured Obligations"):

(a) The payment of the indebtedness as evidenced in the Note;

(b) The performance and observance of all terms, covenants, conditions, and provisions to be performed or observed by the Borrower pursuant to the terms of this Deed of Trust, and UCC-1 financing statements required to perfect Lender's security interest in the personal property as granted by this Deed of Trust (the "Financing Statement").

ARTICLE 2.
GRANTING CLAUSE

2.1 Grant to Public Trustee. As security for the Secured Obligations, Borrower hereby grants, bargains, sells, and conveys the Property to Public Trustee, in trust forever, with power of sale, for the use and benefit of Lender, and subject to all provisions hereof.

2.2 Security Interest to Lender. As additional security for the Secured Obligations, Borrower hereby grants to Lender a security interest in the Chattels and in the Intangible Personalty and in such of the Real Property as may be deemed personalty (collectively, the "Collateral"). To the extent any of the Collateral may be or has been acquired with funds advanced by Lender under the Loan Documents, this security interest is a purchase money security interest. This Deed of Trust constitutes a Security Agreement under the Uniform Commercial Code of Colorado (the "Code") with respect to any part of the Property and Collateral that may or might now or hereafter be or be deemed to be personal property, fixtures or property other than real estate; all of the terms, provisions, conditions and agreements contained in this Deed of Trust pertain and apply to the Collateral as fully and to the same extent as to any other property comprising the Property, and the following provisions of this section shall not limit the generality or applicability of any other provision of this Deed of Trust but shall be in addition thereto:

(a) The Collateral shall be used by Borrower solely for business purposes, being installed upon or owned in connection with the real estate comprising part of the Property for Borrower's own use or as the equipment and furnishings furnished by Borrower, as owner, to tenants of the Property;

(b) The Chattels shall be kept at the real estate comprising a part of the Property, and shall not be removed therefrom without the consent of Lender and the Chattels may be affixed to such real estate but shall not be affixed to any other real estate;

(c) Except for any financing statement evidencing a Permitted Exception (as defined in Paragraph 3.1 hereunder), no financing statement covering any of the Collateral or any proceeds thereof is on file in any public office; and Borrower will, at its cost and expense, upon demand, furnish to Lender such further information and will execute and deliver to Lender such financing statements and other documents in form satisfactory to Lender and will do all such acts and things as Lender may at any time or from time to time reasonably request or as may be necessary or appropriate to establish and maintain a perfected security interest in the Collateral as security for the Secured Obligations, subject to no adverse liens or encumbrances; and Borrower will pay the cost of filing the same or filing or recording such financing statements or other documents and this instrument in all public offices wherever filing or recording is deemed by Lender to be necessary or desirable;

(d) The terms and provisions contained in this section and in Section 7.6 (Enforcement of Security Interests) of this Deed of Trust shall, unless the context otherwise requires, have the meanings and be construed as provided in the Code; and

(e) This Deed of Trust constitutes a security agreement and financing statement under the Code with respect to the Collateral. As such, this Deed of Trust covers all items of the Collateral that are personal property including all items which are to become fixtures. Borrower is the "Debtor" and Lender is the "Secured Party" (as those terms are defined and used in the Code) insofar as this Deed of Trust constitutes a financing statement.

(f) The Borrower agrees that Lender may, to the extent permitted by applicable law, prepare and file financing statements, amendments thereto, and continuation statements without the signature of the Borrower and file any financing statement, amendment thereto or continuation statement electronically.

ARTICLE 3.
BORROWER'S TITLE AND AUTHORITY

3.1 <u>Borrower's Interest</u>. Borrower, for itself, its successors and assigns, represents and warrants to Lender, its successors and assigns, that it is lawfully seized of the Property and has good right to sell and convey the same, that the Property is free from all encumbrances except only the lien of general taxes for the year 2026, a lien not yet due and payable, and those additional matters listed on the attached <u>Exhibit B</u> ("<u>Permitted Exceptions</u>"), and that the Lender, its successors and assigns, shall quietly enjoy and possess the Property. Borrower, for itself, its successors and assigns, represents and warrants to Lender, and its successors and assigns, that Borrower is the owner of the Collateral, free of any liens, encumbrances, security interests, and other claims whatsoever, other than the Permitted Exceptions. Borrower, for itself and its successors and assigns, hereby agrees to warrant and forever defend, all and singular, all of the Property, Collateral and property interest granted and conveyed in trust pursuant to this Deed of Trust, against every person whomsoever lawfully claiming, or to claim, the same or any part thereof, subject to the Permitted Exceptions. The warranties contained in this section shall survive foreclosure of this Deed of Trust, and shall inure to the benefit of and be enforceable by any person who may acquire Borrower's interest to the Property or the Collateral pursuant to any such foreclosure.

3.2 Waiver of Homestead and Other Exemptions. To the extent permitted by law, Borrower hereby waives all rights to any homestead or other exemption to which Borrower would otherwise be entitled under any present or future constitutional, statutory, or other provision of applicable state or federal law.

3.3 Due Authorization. Borrower represents and warrants to Lender that that the execution of this Deed of Trust has been duly authorized by all necessary limited liability company action on the part of Borrower.

ARTICLE 4.
BORROWER'S AFFIRMATIVE COVENANTS

4.1 Payment of Note. Borrower will pay all principal, interest, and other sums payable under the Note, this Deed of Trust, or the Loan Documents, on the date when such payments are due, without notice or demand.

4.2 Performance of Other Obligations. Borrower will promptly and strictly perform and comply with all other covenants, conditions, and prohibitions required of Borrower by the terms of the Loan Documents.

4.3 Other Encumbrances. Borrower will promptly and strictly perform and comply with all covenants, conditions, and prohibitions required of Borrower in connection with any other encumbrance affecting the Property or the Collateral, or any part thereof, or any interest therein, regardless of whether such other encumbrance is superior or subordinate to the lien hereof. This paragraph does not authorize any lien or encumbrance against the Property or the Collateral except as permitted by Section 3.1 or with the prior written consent of Lender as provided in this Deed of Trust.

4.4 Payment of Taxes.

(a) Property Taxes. The Borrower shall pay all property taxes and assessments on or before the date due.

(b) Intangible Taxes. If by reason of any statutory or constitutional amendment or judicial decision adopted or rendered after the date hereof, any tax, assessment, or similar charge is imposed against the Note, against Lender arising directly from Lender's interests in the Loan

Documents (other than a tax based on Lender's income), or against any security interest of Lender in the Property, Borrower will pay such tax, assessment, or other charge before delinquency and will indemnify Lender against all loss, expense, or diminution of income in connection therewith. In the event Borrower is unable to do so, either for economic reasons or because the legal provisions or decisions creating such tax, assessment or charge forbid Borrower from doing so, then the Note will, at Lender's option, become due and payable in full upon thirty (30) days' notice to Borrower.

(c) Right to Contest. Notwithstanding any other provision of this section, Borrower will not be deemed to be in default solely by reason of Borrower's failure to pay any impositions so long as, in Lender's judgment, each of the following conditions is satisfied:

(i) Borrower is engaged in and diligently pursuing in good faith administrative or judicial proceedings appropriate to contest the validity or amount of such impositions; and

(ii) Nonpayment of such impositions will not result in the loss or forfeiture of any Property encumbered hereby or any interest of Lender therein.

If Lender determines that any one or more of such conditions is not satisfied or is no longer satisfied, Borrower will pay the impositions in question, together with any interest and penalties thereon, within ten (10) days after Lender gives notice of such determination.

4.5 Maintenance of Insurance.

(a) Policies. Borrower shall obtain and maintain the following insurance and pay all related premiums as they become due:

(i) Casualty. Insurance of the Project against damage or loss by fire, lightning, and other perils, on an all-risks basis, such coverage to be in an amount satisfactory to Lender.

(ii) Liability. Combined commercial general liability insurance protecting Borrower and Lender against loss or losses from liability imposed by law or assumed in any agreement, document, or instrument and arising from bodily injury, death, or property damage with a limit of liability satisfactory to Lender per occurrence and general aggregate. Also, "umbrella" excess liability insurance in an amount satisfactory to Lender.

(iii) Additional Insurance. Borrower shall obtain and maintain such other policies of insurance as Lender may reasonably request in writing and which is commercially customary for similar projects.

4.6 Maintenance and Repair of Property and Collateral. Borrower will at all times maintain the Property and the Collateral in good condition and repair, and will diligently prosecute the completion of any infrastructure, building or other improvement which is at any time in the process of construction on the Property in full compliance with all building codes and other governmental requirements. Borrower shall constantly maintain and shall not diminish in any respect nor materially alter the Property during the term of this Deed of Trust. Subject to the rights of any lender under a superior deed of trust, Borrower will promptly repair, restore, replace, or rebuild any part of the Property or the Collateral which may be affected by any casualty or any public or private taking or injury to the Property or the Collateral. Any repair, restoration, replacement, or rebuilding shall be consistent with all applicable laws and regulations. All costs and expenses arising out of the foregoing shall be paid by Borrower whether or not the proceeds of any insurance or eminent domain shall be sufficient therefor. Borrower will comply with all statutes, ordinances, and other governmental or quasi-governmental requirements and private covenants relating to the ownership, construction, use, or operation of the Property and the Collateral, including but not limited to any environmental or ecological requirements, legislation or regulations with respect to the Americans with Disabilities Act; provided, that so long as Borrower is not otherwise in default hereunder, Borrower may, upon providing Lender with security reasonably satisfactory to Lender, proceed diligently and in good faith to contest the validity or applicability of any such statute, ordinance, or requirement. Lender and any person authorized by Lender may enter and inspect the Property at all reasonable times, and may inspect the Collateral, wherever located, at all reasonable times.

4.7 Management. The Borrower will provide and maintain good and efficient management of the Property satisfactory to Lender. Borrower shall obtain Lender's advance written approval of any management provided, and of any contract therefor or assignment thereof, which written approval shall not be unreasonably withheld.

4.8 Condemnation. Borrower hereby assigns, transfers and sets over unto Lender the entire proceeds of any award or any claim for damages for any of the Property taken or damaged under the power of eminent domain or by condemnation subject to the rights of any lender under a superior deed of trust.

4.9 Mechanics' Liens. Borrower will keep the Property free and clear of all liens and claims of liens by contractors, subcontractors, mechanics, laborers, material men, and other such persons.

4.10 Defense of Actions. Borrower will defend, at Borrower's expense, any action, proceeding or claim which affects any Property encumbered hereby or any interest of Lender in such Property or in the Secured Obligations, and will indemnify and hold Lender harmless from all loss, damage, cost, or expense, including reasonable attorneys' fees, which Lender may incur in connection therewith except to the extent such loss is caused by Lender's gross negligence.

4.11 Inventories; Assembly of Chattels. Borrower will, from time to time at the request of Lender, supply Lender with a current inventory of the Chattels, in such detail as Lender may require. Upon the occurrence of any Event of Default hereunder, Borrower will, at Lender's request assemble the Chattels and make the Chattels available to Lender at any place designated by Lender which is reasonably convenient to both parties.

4.12 Further Assurances; Estoppel Certificates. Borrower will execute and deliver to Lender upon demand, and pay the costs of preparation and recording thereof, any further documents which Lender may request to confirm or perfect the liens and security interests created or intended to be created hereby, or to confirm or perfect any evidence of the Secured Obligations. Borrower will also, within ten (10) days after any request by Lender, deliver to Lender a signed and acknowledged statement certifying to Lender, or to any proposed transferee of the Secured Obligations, (a) the balance of principal, interest, and other sums then outstanding under the Note, and (b) whether Borrower claims to have any offsets or defenses with respect to the Secured Obligations and, if so, the nature of such offsets or defenses.

4.13 Parking Requirements. Borrower shall maintain at all times sufficient parking spaces to comply with the parking requirements of all leases, zoning and other regulations affecting the Property.

4.14 Financial Statements and Inspection of Records. Borrower will furnish or cause to be furnished to Lender copies of such certified reports, financial statements, supporting schedules and other financial data as Lender may reasonably require covering the financial condition of Borrower, in form and content satisfactory to Lender.

4.15 Insurance Proceeds. Insurance proceeds from casualty and condemnation shall be used to restore and rebuild the Property so long as Borrower is not in default.

ARTICLE 5.
BORROWER'S NEGATIVE COVENANTS

5.1 Disposition of Property, Leases or Beneficial Interest in Borrower. It is expressly acknowledged, covenanted and agreed that, except with Lender's prior written consent and as otherwise set forth in the Ground Lease, there may be no sale, lease (except for leases of space in the improvements on the Property made by Borrower in the ordinary course of Borrower's business), exchange, assignment, conveyance, encumbrance, mortgage, alienation, transfer or other disposition (herein collectively called a "Disposition") of (a) all or any portion of the Property or any lease thereof (or any interest therein) which gives the lessee any option to purchase the Property or any part thereof, or (b) all or any part of the legal or beneficial ownership interest or management control in Borrower. In the event there occurs a Disposition without Lender's written consent, with the exception of Permitted Transfers, then Lender may, at Lender's option, accelerate the maturity of the Note and enforce any and all of Lender's rights, remedies and resources set forth in this Deed of Trust or the Loan Documents upon the occurrence of an Event of Default. Lender's failure to exercise its remedies hereunder for a disapproved Disposition shall not be construed as a waiver of Lender's right to subsequently exercise such remedies, and Lender's approval of a Disposition shall not be construed as a waiver of the provisions hereof with respect to any subsequent Disposition. The rights and options herein granted to Lender may be exercised at Lender's sole option and discretion, need not be based upon an increased business risk or any other risk, and are an integral and valuable part of the security given to Lender.

5.2 Further Encumbrance of Property. Except for the Permitted Exceptions, Borrower will not create, place or permit to be created or placed or allow to remain against the Property any lien, mortgage or deed of trust, regardless of whether the same is expressly subordinate to the liens and security interests imposed hereby or by any other instruments securing the Secured Obligations and Borrower shall not encumber the Property without the prior consent of Lender.

5.3 Transfer or Removal of Chattels. Borrower will not sell, transfer or remove from the Property all or any material part of the Chattels, unless the items sold, transferred, or removed are simultaneously replaced with similar items of equal or greater value.

5.4 Further Encumbrance of Collateral. Borrower will not create or permit any junior lien, security interest or other encumbrance against the Collateral without the prior written consent of Lender.

5.5 Change in Name, Location of Collateral, Etc. Without giving at least thirty (30) days' prior written notice to Lender, the Borrower shall not: (a) change its name, identity structure, or jurisdiction of organization; (b) change the location of its place of business (or chief executive office if more than one place of business); or (c) add to or change any location at which any of the Collateral is stored, held or located, without first notifying Lender of Borrower's intention to do so and shall execute and deliver to Lender modifications or supplements of this Deed of Trust (and to any financing statement which may be filed in connection herewith) as Lender may require.

5.6 Improper Use of Property or Collateral. Borrower will not use the Property or the Collateral for any purpose or in any manner, or take any action with respect to the Property which violates any applicable law, ordinance, or other governmental requirement, the requirements or conditions of any insurance policy, or any private covenant.

ARTICLE 6.
EVENTS OF DEFAULT

Each of the following events will constitute a default (an "Event of Default") under this Deed of Trust and under each of the other Loan Documents if not cured within any applicable cure period provided hereunder or thereunder:

6.1 Failure to Pay. Default shall be made in the payment of any installment of principal or interest on the Note or any other sum any of the Loan Documents when due (after giving consideration to any grace period which may be applicable under such document).

6.2 Breach of Material Terms. The Borrower shall fail to duly perform or observe any of the covenants, agreements, or terms contained in the Note or in this Deed of Trust and such failure shall continue for more than 30 days after Lender's delivery of written notice thereof to the Borrower.

6.3 Conveyance. The Borrower shall not sell or convey the Property or any interest therein, except for the transfer by an investor limited partner in Borrower ("Investor") of its partnership interests in Borrower to any other entity which is an affiliate of the Investor or which is controlled directly by the Investor or the removal of the general partner of Borrower by the Investor and the concurrent replacement of the general partner with an affiliate of investor (collectively, "Permitted Transfer") or as otherwise permitted under the Loan Documents.

6.4 Bankruptcy / Insolvency. The Borrower shall be generally unable to pay its debts as they become due, or shall make an assignment for the benefit of creditors; or the Borrower shall apply for or consent to the appointment of any receiver, trustee or similar officer for it or for all or any substantial part of its property; or such a receiver, trustee or similar officer shall be appointed without the application or consent of the Borrower, and such appointment shall continue undischarged for a period of ninety (90) days; or the Borrower shall institute (by petition, application, answer or otherwise) any bankruptcy, insolvency, reorganization, readjustment of debt, dissolution, liquidation or similar proceedings under the laws of any jurisdiction; or any such proceeding shall be instituted against the Borrower; or the Borrower shall terminate or dissolve.

6.5 Representations. Any representation of the Borrower made herein or made by the Borrower in any submission or document delivered by or on behalf of the Borrower in connection with the Indebtedness shall prove to be materially untrue, or a default or an "Event of Default," however defined, shall occur under any other document or instrument now or hereafter securing repayment of the Note or issued in connection therewith, or evidencing or securing a loan made by any other lender with regard to the Property.

6.6 Superior Lien Against the Property. Other than with respect to the loans listed as Permitted Exceptions, the assertion of any claim of priority over this Deed of Trust, by title, lien, or otherwise in any legal, administrative, or equitable proceeding, unless such assertion be withdrawn, or effective action satisfactory to Lender commenced (and thereafter diligently prosecuted) and Lender is secured against any loss or damage therefrom, within thirty (30) days of the assertion of such claim.

6.7 Abandonment. The actual or constructive abandonment of all or a substantial portion of the Property or the Collateral (such abandonment constituting an assignment to Lender, at Lender's option, of Borrower's interest in any lease or contract now or hereafter affecting the abandoned property).

6.8 Judgment. A writ of execution or attachment or any similar process shall be issued or levied against all or any part of or interest in the Property or a material part of the Collateral, or any judgment involving monetary damages shall be entered against Borrower or Borrower's managing member, which shall become a lien on the Property or any portion thereof or interest therein and such execution, attachment, or similar process or judgment is not released, bonded, satisfied, vacated, or stayed within ninety (90) days after its entry or levy.

6.9 Cure by Members of Borrower. Lender agrees that any of the members of Borrower shall have the right, but not the obligation, to cure any Event of Default or default by Borrower under any of the Loan Documents. Lender further agrees any cure of any Event of Default or default made by any of the members of Borrower shall be deemed to be a cure by Borrower and shall be accepted or rejected on the same basis as if made by Borrower.

ARTICLE 7.
LENDER'S REMEDIES

Immediately upon or any time after the occurrence of any Event of Default hereunder, Lender may exercise any remedy available at law or in equity, including but not limited to those listed below and those listed in the other Loan Documents, in such sequence or combination as Lender may determine in Lender's sole discretion:

7.1 Performance of Defaulted Obligations. Lender may make any payment or perform any other obligation under the Loan Documents which Borrower has failed to make or perform, and Borrower hereby irrevocably appoints Lender as the true and lawful attorney-in-fact for Borrower to make any such payment and perform any such obligation in the name of Borrower, which appointment is coupled with Lender's interest in the Property and the Collateral. All payments made and expenses (including attorneys' fees and legal assistant's fees) incurred by Lender in this connection, together with interest thereon at rate set forth in the Note, from the date paid or incurred until repaid, will be part of the Secured Obligations and will be immediately due and payable by Borrower to Lender.

7.2 Specific Performance and Injunctive Relief. Notwithstanding the availability of legal remedies, Lender will be entitled to obtain specific performance, mandatory or prohibitory injunctive relief, or other equitable relief requiring Borrower to cure or refrain from repeating any default.

7.3 Acceleration of Secured Obligations. Upon an Event of Default, Lender may, without notice or demand, declare all of the Secured Obligations immediately due and payable in full.

7.4 Possession of Property. Lender may enter and take possession of the Property without seeking or obtaining the appointment of a receiver, may employ a managing agent for the Property, and may complete any development and construction which may be in progress with respect to all or any part of the Property, either in Lender's name or in the name of Borrower.

7.5 Non-Recourse. The Loan is nonrecourse as provided in the Note.

7.6 Enforcement of Security Interests. Lender may exercise all rights of a secured party under the Code with respect to the Collateral, including but not limited to taking possession of, holding, and selling the Collateral and enforcing or otherwise realizing upon any accounts and general intangibles. Any requirement for reasonable notice of the time and place of any public sale, or of the time after which any private sale or other disposition is to be made, will be satisfied by Lender's giving of such notice to Borrower at least fifteen (15) days prior to the time of any public sale or the time after which any private sale or other intended disposition is to be made. If permitted by statute or court decision, the Collateral may be sold by the Public Trustee as part of the foreclosure sale of the Property.

7.7 Foreclosure Against Property. Subject to Section 7.11 herein, Lender may foreclose this Deed of Trust, insofar as it encumbers the Property, either by judicial action or through a public trustee foreclosure sale through the Public Trustee in the manner provided by statute.

(a) If this Deed of Trust encumbers more than one parcel of real estate, foreclosure may be by separate parcel or lot or en masse, as Lender may elect in its sole discretion. Foreclosure through Public Trustee will be initiated by Lender's filing of its notice of election and demand for sale with Public Trustee. Upon the filing of such notice of election and demand for sale, Public Trustee shall promptly comply with all notice and other requirements of the laws of Colorado then in force with respect to such sales, and shall give four weeks' public notice of the time and place of such sale by advertisement weekly five times in some newspaper of general circulation then published in the County in which the Property is located.

(b) All fees, costs and expenses of any kind incurred by the Public Trustee or Lender in connection with, or preparation for, foreclosure of this Deed of Trust, including, without limitation, the costs of any appraisals, engineering or environmental testing and evaluations of the Property obtained by Lender, all costs of any receivership for the Property advanced by Lender, and all attorneys', legal assistants' and consultants' fees, expert's evidence, stenographer's charges, publication costs, (which may be estimated as to items to be expended after foreclosure sale or entry of the decree) costs of procuring all such title searches, title insurance policies, and similar data with respect to title as Lender may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale the true condition of title to or value of the Property, incurred by Lender, shall constitute a part of the Secured Obligations and may be included as part of the amount owing from Borrower to Lender at any foreclosure sale. All expenditures and expenses of the nature in this paragraph mentioned, and such expenses and fees as may be incurred in the protection of the Property and the maintenance of the lien of this Deed of Trust, including the reasonable fees of any attorney employed by Lender in any litigation or proceeding affecting this Deed of Trust, the Note or the Property, including probate, bankruptcy proceedings, proceedings to obtain a receiver, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Borrower, with interest thereon at the rate set forth in the Note and shall be secured by this Deed of Trust.

(c) The proceeds of any sale under this paragraph shall be applied first to the fees and expenses of the officer conducting the sale, and then to the reduction or discharge of the Secured Obligations; any surplus remaining shall be paid over to Borrower or to such other person or persons as may be lawfully entitled to such surplus.

(d) At the conclusion of any foreclosure sale, the officer conducting the sale shall execute and deliver to the purchaser at the sale a certificate of purchase which shall describe the property sold to such purchaser and shall state that upon the expiration of the applicable periods for redemption, the holder of such certificate will be entitled to a deed to the property described in the certificate. After the expiration of all applicable periods of redemption, unless the property sold has been redeemed by Borrower, the officer who conducted such sale shall, upon request, execute and deliver an appropriate deed to the holder of the certificate of purchase or the last certificate of redemption, as the case may be.

(e) Nothing in this section dealing with foreclosure procedures or specifying particular actions to be taken by Lender or by Public Trustee or any officer conducting the foreclosure sale shall be deemed to contradict or add to the requirements and procedures now or hereafter specified by the laws of the State of Colorado, and any such inconsistency shall be resolved in favor of Colorado law applicable at the time of foreclosure.

7.8 Appointment of Receiver. Lender shall be entitled, as a matter of absolute right and without regard to the value of any security for the Secured Obligations or the solvency of any person liable therefor, to the appointment of a receiver for the Property, the leases between Borrower and tenants of the Project (collectively, "Leases"), and the rents and revenues of the Project (the "Rents and Revenues") upon ex parte application to any court of competent jurisdiction. Borrower waives any right to any hearing or notice of hearing prior to the appointment of a receiver.

7.9 Right to Make Repairs, Improvements. Should any part of the Property come into the possession of Lender or a receiver, whether before or after an Event of Default, Lender or the receiver and receiver's agents shall be empowered subject to the rights of any lender under a superior deed of trust:

(a) To take possession of the Property, Leases, Rents and Revenues and any business conducted by Borrower or any other person thereon and any business assets used in connection therewith and any Property in which Lender has a security interest granted by Borrower and, if the receiver deems it appropriate, to operate the same;

(b) To exclude Borrower and Borrower's agents, servants, and employees from the Property;

(c) With or without taking possession of the Property, to collect the Rents and Revenues, including those past due and unpaid and security deposits;

(d) To rent, lease or let all or any portion of the Property to any party or parties at such rental and upon such terms as Lender shall, and to pay any leasing or rental commissions associated therewith in its discretion, determine;

(e) To continue the development, marketing and sale of the Property or any portion thereof;

(f) To complete any construction or development which may be in progress;

(g) To do such maintenance and make such repairs and alterations as the receiver deems necessary;

(h) To use all stores of materials, supplies and maintenance equipment on the Property and to replace and replenish such items at the expense of the receivership estate;

(i) To pay the operating expenses of the Property, including costs of management and leasing or marketing thereof (which shall include lease commissions, sale commissions), payments under contracts and agreements for development and construction;

(j) To pay all taxes and assessments against the Property and any property which is collateral for the Secured Obligations, all premiums for insurance thereon, all utility and other operating expenses, and all sums due under any prior or subsequent encumbrance;

(k) To borrow from Lender such funds as may be reasonably necessary to the effective exercise of the receiver's powers, on such terms as may be agreed upon by the receiver and Lender, but not in excess of the interest rate set forth in the Note; and

(l) Generally do anything which Borrower could legally do if Borrower were in possession of the Property.

(m) All expenses incurred by the receiver or the receiver's agent shall constitute part of the Secured Obligations. Any revenues collected by the receiver shall be applied first to the expenses of the receivership (including attorneys' fees incurred by the receiver and by Lender), to expenses of the Property, and to preserve, protect, maintain and operate the Property and any other collateral which is security for the Secured Obligations, and the balance shall be applied toward the Secured Obligations or any deficiency which may result from any foreclosure sale, and then in such other manner as the court may direct. Unless sooner terminated with the express consent of Lender, any such receivership will continue until all amounts remaining due under the Note have been discharged in full, or until Borrower's interest in the Property has passed after foreclosure sale and all applicable periods of redemption have expired, and in either case, the court has discharged the receiver. Borrower covenants to promptly reimburse and pay to Lender or such receiver, at the place where the Note is payable, or at such other place as may be designated in writing, the amount of all reasonable expenses (including the cost of any insurance, taxes, or other charges) incurred by Lender or such receiver in connection with its custody, preservation, use or operation of the Property, together with interest thereon from the date incurred by Lender or such receiver at the interest rate set forth in the Note, and all such expenses, costs, taxes, interest, and other charges shall be part of the Secured Obligations. It is agreed, however, that the risk of accidental loss or damage to the Property is undertaken by Borrower and, except for Lender's or such receiver's willful misconduct or gross negligence, Lender or such receiver shall have no liability whatsoever for decline in value of the Property, for failure to obtain or maintain insurance, or for failure to determine whether any insurance ever in force is adequate as to amount or as to the risks insured, or to complete development.

7.10 Further Assurances. Upon foreclosure of this Deed of Trust, all right, title, and interest of the Borrower in and to the Leases shall, by virtue of this instrument, thereupon vest in and become the absolute property of the grantee or grantees in such deed or deeds without any further act or assignment by the Borrower. Borrower hereby agrees to execute all instruments of assignment or further assurance in favor of such grantee or grantees in such deed or deeds, as may be necessary or desirable for such purpose. But nothing contained herein shall prevent Lender from terminating any subordinated Lease not approved by Lender through such foreclosure.

ARTICLE 8.
ASSIGNMENT OF RENTS AND LEASES

8.1 Assignment of Rents and Leases. To further secure the Secured Obligations, Borrower does hereby sell, assign and transfer unto Lender all rents, issues, profits, revenue, and income now due and which may hereafter become due under or by virtue of any Leases, tenancies or agreements for occupancy "Leases" (collectively "Rents and Revenues"), whether written or verbal, or any letting of, or of any agreement for the sale, use or occupancy of the Property or any part thereof, and all proceeds from, evidence of, and benefits and advantages to be derived therefrom, now or hereafter existing, whether or not with Lender's approval. The Borrower does hereby appoint irrevocably Lender its true and lawful attorney in its name and stead (with or without taking possession of the Property) to rent, lease or let any improvements located on the Property, and to collect all of said Rents and Revenues arising from or accruing at any time hereafter, and all now due or that may hereafter become due under each and every of the Leases, or other agreements, written or verbal, or which may hereafter exist on the Property, on the condition that Lender hereby grants to Borrower a license to collect and retain such Rents and Revenues (but expressly not including the right to collect any rents more than one (1) month in advance or any amount to prepay, terminate, or "buy out" any Leases) prior to the occurrence of any Event of Default under the Loan Documents. Borrower expressly covenants to apply the Rents and Revenues received, after application for operating expenses and other permitted under this Deed of Trust and the Loan Documents, to payment of the Secured Obligations as and when the same become due and in compliance with the Loan Documents. Such license shall be revocable by Lender without notice to Borrower at any time upon or after an Event of Default under the Loan Documents, and immediately upon any such revocation, Lender shall be entitled to receive, and Borrower shall deliver to Lender, any and all Rents and Revenues theretofore collected by Borrower which remain in the possession or control of Borrower and all Leases, and other such agreements. It is the intention of the Borrower to create and grant, and it is the intention of Lender to create and receive, a present and absolute assignment of all of the Leases, similar agreements, Rents and Revenues now due or which may hereafter become due, but it is agreed that Lender's right to collect the Rents and Revenues is conditioned upon the existence of an Event of Default under the Loan Documents. Failure of Lender at any time or from time to time to enforce its rights under this ARTICLE 8 shall not in any manner prevent its subsequent enforcement, and Lender is not obligated to collect anything hereunder, but is accountable only for sums collected. Nothing contained herein shall be construed as constituting Lender a mortgagee in possession in the absence of the taking of actual possession of the Property by Lender pursuant to Section 8.6 (Lender's Right of Possession In Case of Default) hereof. In the exercise of the powers herein granted to Lender, no liability shall be asserted or enforced against Lender, all such liability being expressly waived and released by Borrower.

8.2 Covenants Regarding Leases. Borrower agrees:

(a) Not to execute any Leases (except for leases of space in the improvements on the Property made by Borrower in the ordinary course of Borrower's business) affecting the Property or any part thereof without the prior written consent of Lender;

(b) Not to collect any of the Rents and Revenues for more than one (1) month in advance of the time when the same become due under the terms thereof;

(c) Not to discount any future accruing Rents and Revenues;

(d) Other than to secure Loans listed on Exhibit B as Permitted Exceptions, not to execute any other assignments of said Leases or any interest therein or any of the Rents and Revenues thereunder without the prior written consent of Lender;

(e) That notwithstanding any variation of the terms of this Deed of Trust or any extension of time for payment thereunder or any release of part or parts of the Property, the Leases, Rents and Revenues hereby assigned, insofar as they relate to the unreleased Property, shall continue as additional security in accordance with the terms hereof; and

(f) To perform all of the Borrower's covenants and agreements under the Leases and not to suffer or permit to occur any release of liability of the lessees or purchasers.

8.3 Representations Regarding Leases. Borrower represents and warrants that, except for the Permitted Exceptions, (a) the Leases, if any, are in full force and effect; (b) the Leases and the Rents and Revenues thereunder have not been heretofore sold, assigned, transferred, or set over by Borrower or by any person or persons whatsoever; (c) no material default exists on the part of the lessees thereunder, or the Borrower as lessor; (d) no Rents and Revenues have been paid by any of the lessees for more than one (1) month in advance; (e) the payment of none of the rents have been or, will be waived, released, reduced, discounted or otherwise discharged or compromised by the Borrower directly or indirectly by assuming any lessee's obligations with respect to other premises; and (f) Borrower has good right to sell, assign, transfer, and set over the same and to grant to and confer upon Lender the rights, interests, powers, and authorities herein granted and conferred.

8.4 Further Assignments. Borrower shall give Lender at any time upon demand any further or additional forms of assignment of transfer of such Rents and Revenues, leases and security as may be reasonably requested by Lender, and shall deliver to Lender executed copies of all such leases and security.

8.5 Authority of Lender. Any tenants or occupants of any part of the Property are hereby authorized to recognize the claims of Lender hereunder without investigating the reason for any action taken by Lender, or the validity or the amount of indebtedness owing to Lender, or the existence of an Event of Default under any Loan Document, or the application to be made by Lender of any amounts to be paid to Lender. The sole signature of Lender or a receiver shall be sufficient for the exercise of any rights under this ARTICLE 8 and the sole receipt of Lender or a receiver for any sums received shall be a full discharge and release therefor to any such tenant or occupant of the Property; and Borrower hereby releases each such tenant and occupant which makes payments to Lender under this ARTICLE 8 from any liability under the applicable Lease or occupancy agreement. Checks for all or any part of the rentals collected under this ARTICLE 8 shall be drawn to the exclusive order of Lender or such receiver.

8.6 Lender's Right of Possession in Case of Default. In any case in which under the provision of this Deed of Trust, Lender has a right to institute foreclosure proceedings, whether before or after the whole principal sum secured hereby is declared to be immediately due, or whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after sale thereunder, promptly upon demand of Lender, Borrower shall surrender to Lender and Lender shall be entitled to take actual possession of the Property or any part thereof personally, or by its agents or attorneys, as for condition broken, and Lender in its discretion may, with or without force and with or without process of law, enter upon and take and maintain possession of all or any part of the Property, together with all documents, books, records, papers and accounts of the Borrower or then owners of the Property relating thereto, and may exclude the Borrower, its agents or servants, wholly therefrom and may, as attorney-in-fact or agent of the Borrower, or in its own name as Lender and under the powers herein granted, hold, operate, manage and control the Property and conduct the business, if any, thereof, either personally or by its agents, and with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment or security of the rents, issues, revenues and profits of the Property.

8.7 Severability and Survival. The provisions of this ARTICLE 8 shall survive the foreclosure of the lien of this Deed of Trust and the exercise of the power of sale granted under this Deed of Trust until the expiration of all periods of redemption following any such foreclosure or sale and thereafter with respect to all Rents and Revenues arising prior to or attributable to the period prior to the expiration of all such redemption periods.

ARTICLE 9.
MISCELLANEOUS PROVISIONS

9.1 Future Advances. This Deed of Trust secures future advances up to a total maximum principal amount of $[5,400,000] and shall be effective to secure payment of all advances, both obligatory and optional, up to such maximum principal amount to the same extent and with the same effect and priority as if such total maximum principal amount had been fully disbursed on or before the date this Deed of Trust was recorded. Without limiting any other provision of this Deed of Trust, this Deed of Trust shall also secure, to the same extent and with the same effect and priority, all expenses associated with the collection of the indebtedness secured hereby or foreclosure of this Deed of Trust and all additional amounts as set forth in Section 38-39-106, C.R.S., as amended, together with interest thereon as set forth herein, regardless of whether such additional amounts, when added to the principal amount of the indebtedness, exceed the maximum principal amount stated above.

9.2 Time of the Essence. Time is of the essence with respect to all provisions of this Deed of Trust.

9.3 Rights and Remedies Cumulative. Lender's rights and remedies under each of the Loan Documents are cumulative of the rights and remedies available to Lender under each of the other Loan Documents and those otherwise available to Lender at law or in equity. No act of Lender shall be construed as an election to proceed under any particular provision of any Loan Document to the exclusion of any other provision in the same or any other Loan Document, or as an election of remedies to the exclusion of any other remedy which may then or thereafter be available to Lender.

9.4 No Implied Waivers. Lender shall not be deemed to have waived any provision of this Deed of Trust unless such waiver is in writing and is signed by Lender. Without limiting the generality of the preceding sentence, neither Lender's acceptance of any payment with knowledge of a default by Borrower, nor any failure by Lender to exercise any remedy following a default by Borrower shall be deemed a waiver of such default, and no waiver by Lender of any particular default on the part of Borrower shall be deemed a waiver of any other default or of any similar default in the future.

9.5 No Third Party Rights. No person shall be a third party beneficiary of any provision of this Deed of Trust. All provisions of this Deed of Trust favoring Lender are intended solely for the benefit of Lender, and no third party shall be entitled to assume or expect that Lender will or will not waive or consent to modification of any such provision in Lender's sole discretion.

9.6 Preservation of Liability and Priority. Without affecting the liability of Borrower or of any other person (except a person expressly released in writing) for payment and performance of all of the Secured Obligations, and without affecting the rights of Lender with respect to any security not expressly released in writing, and without impairing in any way the priority of this Deed of Trust over the interests of any person acquired or first evidenced by recording subsequent to the recording hereof, Lender may, either before or after the maturity of the Note, and without notice or consent: (a) release any person liable for payment or performance of all or any part of the Secured Obligations; (b) make any agreement altering the terms of payment or performance of all or any of the Secured Obligations; (c) exercise or refrain from exercising, or waive, any right or remedy which Lender may have under any of the Loan Documents; (d) accept additional security of any kind for any of the Secured Obligations; or (e) release or otherwise deal with any real or personal property securing the Secured Obligations. Any person acquiring or recording evidence of any interest of any nature in the Property or the Collateral shall be deemed, by acquiring such interest or recording any evidence thereof, to have agreed and consented to any or all such actions by Lender.

9.7 Subrogation of Lender. Lender shall be subrogated to the lien of any previous encumbrance discharged with funds advanced by Lender under the Loan Documents, regardless of whether such previous encumbrance has been released of record.

9.8 Notices. Any notice required or permitted to be given by Borrower or Lender under this Deed of Trust shall be in writing and will be deemed given (a) upon personal delivery or upon confirmed transmission by telecopier or similar facsimile transmission device, (b) on the first business day after receipted delivery to a courier service which guarantees next-business-day delivery, or (c) on the third business day after mailing, by registered or certified United States mail, postage prepaid, in any case to the appropriate party at its address set forth below:

If to the Borrower:

c/o The NHP Foundation
1090 Vermont Avenue, NW, Suite 400
Washington, DC 20005
Attention: Neal Drobenare

With a copy to:

Ben Doyle, Esq.
New Communities Law PLLC
1624 Market Street, Suite 400
Denver, CO 80202

If to the Lender:

Town of Frisco
P.O. Box 4100 (Mailing)
1 East Main Street (Physical)
Frisco, Colorado 80443
Attention: Community Development Director

With a copy to:

Thad W. Renaud, Esq.
Murray Dahl Beery & Renaud LLP
710 Kipling Street, Suite 300
Lakewood, CO 80215

Any person may change such person's address for notices or copies of notices by giving notice to the other party in accordance with this section.

9.9 Defeasance. Upon payment and performance in full of all the Secured Obligations and all costs of releasing this Deed of Trust, Lender will execute and deliver to Borrower such documents as may be required to release this Deed of Trust of record.

9.10 Illegality. If any provision of this Deed of Trust is held to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Deed of Trust, the legality, validity, and enforceability of the remaining provisions of this Deed of Trust shall not be affected thereby, and in lieu of each such illegal, invalid or unenforceable provision there shall be added automatically as a part of this Deed of Trust a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable. If the rights and liens created by this Deed of Trust shall be invalid or unenforceable as to any part of the Secured Obligations, then the unsecured portion of the Secured Obligations shall be completely paid prior to the payment of the remaining and secured portion of the Secured Obligations, and all payments made on the Secured Obligations shall be considered to have been paid on and applied first to the complete payment of the unsecured portion of the Secured Obligations.

9.11 Obligations Binding Upon Borrower's Successors. This Deed of Trust is binding upon Borrower and Borrower's successors and assigns, including all grantees and remote grantees of any interest of Borrower in the Property, and shall inure to the benefit of Lender, and its successors and assigns, and the provisions hereof shall likewise be covenants running with the land. The duties, covenants, conditions, obligations, and warranties of Borrower in this Deed of Trust shall be joint and several obligations of Borrower and Borrower's successors and assigns.

9.12 Governing Law. The laws of the State of Colorado shall govern the validity, construction, enforcement, and interpretation of this Deed of Trust, without regard to principles of conflicts of laws.

9.13 Survival. This Deed of Trust shall survive foreclosure of the liens created hereby, to the extent necessary to fulfill its purposes.

9.14 Captions. The captions and headings of various paragraphs of this Deed of Trust are for convenience only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

9.15 Tax Credit Requirements. Notwithstanding any provision in this Deed of Trust or other documents evidencing the Loan, the Lender acknowledges that the Loan and this Deed of Trust is subordinate to the requirements of Section 42(h)(6)(E) of the Internal Revenue Code pertaining to limitations on eviction of tenants and increases in rent for the three-year period following foreclosure.

9.16 Organizational Number. The Employer Identification Number of Borrower is 20251870254.

9.17 Investor Provisions.

(a) The withdrawal, removal, transfer and/or replacement of the General Partner of Borrower pursuant to the terms of the Amended and Restated Partnership Agreement of Borrower ("Borrower's Partnership Agreement") shall not constitute a default under any of the Loan Documents, and any such actions shall not accelerate the maturity of the Loan; provided that Borrower agrees to notify the Lender of any proposed replacement General Partner prior to replacement, and, upon replacement, shall notify the Lender of the name and contact information of the replacement General Partner with reasonable promptness.

(b) Nothing in the Loan Documents shall limit or restrict the ability of Borrower's Limited Partner, U.S. Bancorp Community Development Corporation, its successors and assigns (the "Limited Partner") to transfer, sell or assign its ownership interest in Borrower, from time to time, without consent of Lender, provided that said Limited Partner remains liable for payment of any then unpaid capital contributions to Borrower, as and when payable, as set forth in Borrower's Partnership Agreement, notwithstanding any such transfer, sale or assignment. In particular, Lender hereby consents to any transfers, sales or assignments of membership interests in Borrower to any affiliate of the Limited Partner or any entity in which the Limited Partner, or an affiliate, is the manager or General Partner and agrees that such transfers shall not constitute defaults under the Loan Documents.

(c) Copies of all notices to Borrower under the Loan Documents shall be sent to Borrower's Limited Partner in accordance with the procedures for delivering notices set forth in the Loan Documents to the following address or such alternate or additional contact names and/or addresses of which Lender is so notified in writing by the Limited Partner:

U.S. Bancorp Impact Finance
505 North Seventh Street, 10th Floor
SL-MO-T10F
St. Louis, MO 63101
USB Project No: 31728
Attn.: Director of LIHTC Asset Management

and

Kutak Rock LLP
1650 Farnam Street
Omaha, NE 68102
Attn: Jill Goldstein, Esq.

[*Remainder of this page intentionally left blank.*]

IN WITNESS WHEREOF, the undersigned has signed and delivered this Deed of Trust as of the date first mentioned above.

BORROWER:

WEST MAIN APARTMENTS LLLP,
a Colorado limited liability limited partnership

By: NHPF West Main GP, LLC, a Colorado limited liability company, its General Partner

By: The NHP Foundation,
a District of Columbia nonprofit corporation,
its Manager

By: ____________________________________
Name: John M. Welsh
Its: Senior Vice President

STATE OF ____________)
) ss.
COUNTY OF _________)

The foregoing instrument was acknowledged before me this ____ day of July, 2026, by John M. Welsh, as the Senior Vice President of The NHP Foundation, a District of Columbia nonprofit corporation, as the Manager of NHPF West Main GP, LLC, a Colorado limited liability company, as General Partner of West Main Apartments LLLP, a Colorado limited liability limited partnership.

Witness my hand and official seal.

My commission expires:____________________________

____
Notary Public

(S E A L)

The terms, conditions, and obligations of this Deed of Trust are hereby recognized, acknowledged, and accepted by the Lender.

LENDER:

FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY,
a body corporate and politic

By: ___________________________
Name: Elizabeth Skrzypczak-Adrian
Its: Vice Chairperson

STATE OF COLORADO)
) ss.
COUNTY OF SUMMIT)

The foregoing instrument was acknowledged before me this ____ day of July, 2026 by Elizabeth Skrzypczak-Adrian, as Vice Chairperson of the Frisco Community Housing Development Authority, a body corporate and politic.

Witness my hand and official seal.

My commission expires:________________________________

____
Notary Public

(S E A L)

<u>EXHIBIT A</u>
PROPERTY

HOUSING UNIT, 101 WEST MAIN SMALL PLANNED COMMUNITY, ACCORDING TO THE PLANNED COMMUNITY DECLARATION RECORDED _________, 2026 IN THE OFFICE OF THE CLERK AND RECORDER OF SUMMIT COUNTY, COLORADO, AT RECEPTION NO. __________, AND THE PLANNED COMMUNITY MAP FOR 101 WEST MAIN SMALL PLANNED COMMUNITY RECORDED _________, 2026 IN SUCH OFFICE AT RECEPTION NO. _________, AS AMENDED AND SUPPLEMENTED FROM TIME TO TIME AS PERMITTED UNDER SUCH DECLARATION.

EXHIBIT B
PERMITTED EXCEPTIONS

All matters listed of record on title.

STAFF REPORT

TO: FCHDA COMMISSIONERS

FROM: JAMES GORHAM, ECONOMIC DEVELOPMENT MANAGER
THAD RENAUD, TOWN ATTORNEY

RE: FCHDA RESOLUTION NO 26-01 APPROVING ADDENDUM TO AMENDED AND RESTATED AGREEMENT OF LIMITED LIABILITY LIMITED PARTNERSHIP OF WEST MAIN APARTMENTS LLLP & MEMORANDUM OF RIGHT OF FIRST REFUSAL AGREEMENT FOR 101 WEST MAIN

DATE: JULY 14, 2026

Summary & Background:

At its meeting of June 29, 2026, the Authority considered and approved an Addendum to Amended and Restated Agreement of Limited Liability Limited Partnership of West Main Apartments LLLP & A Memorandum of Right of First Refusal Agreement between the Frisco Community Housing Development Authority, NHPF West Main GP, LLC, West Main Apartments LLLP, U.S. Bancorp Community Development Corporation, and USB Colorado State Investor I, LLC for the affordable housing project located at 101 West Main Street (the "Addendum").

Since the time of that approval, the parties have negotiated certain changes to the Addendum that are favorable to the Authority, particularly the new provisions set forth in section 2(c) of the attached, revised Addendum, that provides a small (approximately $5,000 annually) stream of income to the Authority for use in future projects.

The following information was provided in connection with the Authority's consideration of the previously approved version of the Addendum, and applies equally to the attached, revised version.

The Town of Frisco (Town) has been working with the NHP Foundation (NHPF) since early 2023 when staff from NHPF approached Town staff and Council on affordable housing opportunities in Frisco. The mission of NHPF is to "preserve and create sustainable, service-enriched multifamily housing that is affordable to low- and moderate-income families and seniors, and beneficial to their communities." This mission aligns with the Council's strategic plan to support a thriving economy by increasing workforce housing and enhancing community inclusivity by offering a variety of housing types to support year-round residents.

The Town is currently working with NHPF on two affordable housing projects, located at 101 W Main and 602 Galena. Recognizing the strong need for all housing types and rental rates within Frisco, the Town has focused on ensuring that the two projects provide a range of affordable housing options to the community.

The 101 W Main project is projected to move forward in 2026 with 52 rental units at an income range of 30%, 50%, & 80% of the Summit County Area Median Income.

Analysis:

The proposed Addendum establishes the Frisco Community Housing Development Authority (FCHDA) as a Special Limited Partner in West Main Apartments LLLP, the ownership entity being formed to develop, own, and operate the West Main Apartments affordable housing project. The partnership includes NHPF West Main GP, LLC as General Partner, U.S. Bancorp Community Development Corporation as the federal tax credit investor, USB Colorado State Investor I, LLC as the state tax credit investor, and the FCHDA as Special Limited Partner.

As part of the financing structure, the FCHDA will become a Special Limited Partner in the ownership entity. Housing authorities commonly participate in LIHTC ownership structures to facilitate property tax exemptions and to ensure long-term compliance with affordability requirements. The Authority's participation provides an additional layer of oversight and helps guarantee that the public benefits associated with the project remain in place throughout the affordability period.

Under the Addendum, the FCHDA will be admitted as a Special Limited Partner holding a 0.01 percent ownership interest in the partnership. The agreement specifically limits the Authority's future financial obligations. The FCHDA will not be required to make additional capital contributions, provide loans to the partnership, fund operating deficits, or make any future financial contributions to the project.

The Authority's participation also supports the project's eligibility for certain statutory tax exemptions available to housing authority-owned affordable housing developments.
The FCHDA agrees to cooperate with the partnership in obtaining exemptions from applicable state, county, and municipal sales and use taxes during construction, as well as potential exemptions from property taxes and special assessments authorized under Colorado law.

The agreement makes clear that the Authority does not guarantee the availability of these exemptions and assumes no liability if such exemptions are unavailable or modified by future legislative action. Nevertheless, the Authority's participation is expected to help reduce development and operating costs, thereby supporting project feasibility and long-term affordability.

The Memorandum of Right of First Refusal serves as a public notice document that memorializes the existence of the Right of First Refusal Agreement. The document identifies the parties, describes the property subject to the agreement, and confirms that the Frisco Community Housing Development Authority has been granted a Right of First Refusal to purchase the project and certain partnership interests pursuant to the terms of the underlying agreement. The Memorandum further clarifies that the full Right of First Refusal Agreement governs the rights and obligations of the parties and that all provisions of that agreement are incorporated by reference.

Financial Impact:
The Authority's direct financial investment in the partnership is limited to a one-time capital contribution of $100, and provides for a small (approximately $5,000) annual stream of income to the Authority. The agreement expressly prohibits future mandatory capital contributions or operating support obligations. The project is expected to benefit from tax exemptions available through the Authority's participation, which may reduce development and operating costs and support long-term affordability.

Alignment with Strategic Plan:
The Plan touches on the following Strategic Objectives in the 2024-2028 Strategic Plan:
- Enhance Community Inclusivity
- Support a Thriving Economy

Staff Recommendation:
Staff requests the Commissioners review and approve FCHDA Resolution 26-01 approving the attached Addendum to the Amended and Restated Agreement of Limited Liability Limited Partnership of West Main Apartments LLLP.

Reviews and Approvals:

- Tom Fisher, Executive Director

Attachments:

- Attachment 1 – Addendum to the Amended and Restated Agreement of Limited Liability Limited Partnership of West Main LLLP

ADDENDUM TO AMENDED AND RESTATED AGREEMENT OF

LIMITED LIABILITY LIMITED PARTNERSHIP

OF WEST MAIN APARTMENTS LLLP

THIS ADDENDUM, dated as of [______], 2026 (the "Effective Date"), is attached to and forms part of the Amended and Restated Agreement of Limited Liability Limited Partnership of WEST MAIN APARTMENTS LLLP, a Colorado limited liability limited partnership ("Partnership") dated as of [______], 2026 (the "Partnership Agreement"), among NHPF West Main GP, LLC, a Colorado limited liability company (the "General Partner"), Frisco Community Housing Development Authority, a Colorado housing authority (the "Special Limited Partner"), and U.S. Bancorp Community Development Corporation, a Minnesota corporation (the "Limited Partner") and USB Colorado State Investor I, LLC, a Missouri limited liability company (the "State Credit Partner" and with the Limited Partner, the "Limited Partners")).

1. Definitions. Capitalized terms used and not otherwise defined in this Addendum shall have the definitions given them in the Partnership Agreement.

2. Admission to Partnership; Capital Contribution; Payments.

(a) The Special Limited Partner is hereby admitted into the Partnership as a special limited partner having a 0.01% partnership interest in the Partnership.

(b) The Special Limited Partner has made a Capital Contribution to the Partnership of $100. The Special Limited Partner represents that as of the date of this Addendum, its Capital Account does not exceed $100. Except with respect to the indemnity obligation set forth in Section 5, the Special Limited Partner shall have no further obligation of any kind or description to make Capital Contributions to the Partnership, to make any loans to the Partnership or to make any other payments to the Partnership.

(c) The Partnership shall pay the Special Limited Partner an annual asset management fee of $5,049.00, increasing three percent (3%) annually (the "Asset Management Fee"), beginning in the year in which the Stabilization Period ends and payable from Cash Flow after item Fifth in Exhibit A-5 of the Partnership Agreement (prior to payment of Development Fee). In addition, the Partnership shall reimburse the Special Limited Partner for its legal expenses incurred to review the applicable agreements required in connection with this Addendum, its admission to the Partnership, and any review of other legal documentation associated with the Partnership (collectively, with the Asset Management Fee, the "Fees"). The Fees relating to the Special Limited Partner's admission to the Partnership shall be paid by the Partnership upon the admission of the Special Limited Partner as a partner of the Partnership.

3. Affordability Restrictions; Extended Use Agreement.

(a) The Project contains fifty-two (52) total units, all of which will be affordable units intended to qualify for low income housing tax credits. Specifically, without limiting the generality of the foregoing, the General Partner shall cause 6 apartment units in the

Project to be held for persons whose income is at or below thirty percent (30%) of the area median income, 25 apartment units to be held for persons whose income is at or below fifty percent (50%) of the area median income, and 21 apartment units to be held for persons whose income is at or below eighty percent (80%) of the area median income, and shall provide any and all programs, services and amenities described in the applications submitted by or for the benefit of the Partnership in connection with the Low-Income Housing Tax Credits and State Low-Income Credits (such conditions being collectively termed the "Affordability Restrictions").

(b) For as long as the Special Limited Partner is a Partner of the Partnership, the Partnership shall comply with the Extended Use Agreement (as defined in the Partnership Agreement). If the original Extended Use Agreement is terminated or amended in such a way that the Affordability Restrictions described in Section 3(a) are no longer required (to the extent that the Affordability Restrictions have not become more restrictive on the Partnership and Property), the Special Limited Partner may require the Partnership to execute and record an additional Extended Use Agreement limited to requiring compliance with the Affordability Restrictions described in Section 3(a). Said additional Extended Use Agreement shall be for the same term as the original Extended Use Agreement and shall be included herein within the definition of "Extended Use Agreement."

4. Rights and Duties of Special Limited Partner.

(a) The Special Limited Partner shall cooperate with the Partnership in the Partnership's application for an exemption from state, county, and municipal sales and use taxes (during construction) to the extent attributable to the low income units, and from special assessments and property taxes provided under Colorado Revised Statutes §29-4-226 and §29-4-227 (collectively, the "Tax Exemption"). The Special Limited Partner makes no representation or warranty concerning any such Tax Exemption and provides no other assurances regarding the current or continued availability of the Tax Exemption or the qualification of the Partnership for the Tax Exemption or any similar tax exemption.

(b) In the event that the General Partner is removed as the general partner of the Partnership, the Special Limited Partner, or an affiliate controlled by or under common control with the Special Limited Partner, may request the opportunity to become the successor General Partner of the Partnership; provided, however, that any such succession shall be contingent upon (i) the prior written consent and approval of the Limited Partner, which consent and approval may be granted or withheld by the Limited Partner in its sole and absolute discretion, and which shall be further subject to the Limited Partner's then-current underwriting process and requirements, (ii) such successor General Partner, or an affiliate controlled by or under common control with such successor General Partner, agreeing to assume all guaranty obligations of the General Partner, and (iii) the approval and consent of any applicable Project lender and Colorado Housing and Finance Authority ("CHFA"). Notwithstanding anything to the contrary herein, the Special Limited Partner shall have no automatic, presumptive, or vested right to succeed the General Partner, and the Limited Partner shall have no obligation to grant its consent to any such succession.

5. Liability of Special Limited Partner and Partnership; Indemnification of Special Limited Partner. The Special Limited Partner and all of its past and present officers, directors, commissioners, managers, employees, partners, agents, shareholders, members, trustees, predecessors, successors, subrogees, and attorneys (collectively, the "Special Limited Partner

Parties") shall incur no liability for the Special Limited Partner's acts or omissions in connection with the Partnership, the Project, or the performance of this Addendum, except that the Special Limited Partner shall be liable for any fraud, gross negligence, or willful misconduct and shall indemnify and hold harmless the Partnership for any such fraud, gross negligence, or willful misconduct; provided, that in no event shall the liability of the Special Limited Partner exceed the total amount which has been previously paid to the Special Limited Partner under this Addendum, and in no event shall such liability exceed the aggregate amount of tax savings realized by the Partnership as a result of the Tax Exemption.

The Partnership and the General Partner shall indemnify and hold harmless each of the Special Limited Partner Parties against any loss, liability, claim or damage arising from or related to the acts, operations, omissions or conduct of the Partnership or the Project; provided, however, that the Special Limited Partner Parties shall not be indemnified or held harmless if the loss, liability, claim or damage relates to the fraud, gross negligence or willful misconduct of the Special Limited Partner. Without limiting the foregoing, any indemnity obligations under the Partnership Agreement for the benefit of the Special Limited Partner shall also apply to each of the Special Limited Partner Parties. The obligations of this Section 5 shall be guaranteed by the Guarantor pursuant to the attached Exhibit A, which is made part of this Addendum.

6. Required Consent.

(a) The written consent of the Special Limited Partner shall be required for the following actions:

(i) the transfer of either control of the General Partner or a majority of the equity interests in the General Partner to any party that is not an affiliate controlled by or under common control with the General Partner (a "General Partner Affiliate"), other than to the Limited Partner or an affiliate controlled by or under common control with the Limited Partner (an "Investor Affiliate");

(ii) the withdrawal of the General Partner from the Partnership, if the General Partner is not replaced by the Limited Partner, an Investor Affiliate, or a General Partner Affiliate;

(iii) the admission of a successor general partner, if the successor general partner is not the Limited Partner, an Investor Affiliate, or a General Partner Affiliate;

(iv) the admission of a successor general partner, following any exercise by the Limited Partner of its rights under the Partnership Agreement to remove the General Partner, if the successor general partner is not the Limited Partner, an Investor Affiliate, or a General Partner Affiliate;

(v) any amendment or modification to the Partnership Agreement that would:

(i) have a material adverse effect on the rights or obligations of the Special Limited Partner, or

(ii) change the purposes of the Partnership, or

(iii) authorize the Project to be operated other than as an affordable housing project in compliance with Section 42 of the Internal Revenue Code, the Extended Use Agreement, and/or the Partnership Agreement.

(b) If any of the events described in Section 6(a) occur without the written consent of the Special Limited Partner, the sole remedy of the Special Limited Partner shall be to withdraw from the Partnership in accordance with Section 8(c) upon sixty (60) days prior written notice to the General Partner and the Limited Partner.

(c) Except for those consent rights of the Special Limited Partner specifically set forth in this Addendum, all other actions, approvals, rights, powers, votes, agreements and consents, including, without limitation, all actions requiring the consent of the Limited Partner, as set forth in the Partnership Agreement, as modified by this Addendum, shall be taken solely by the Limited Partner and/or General Partner, as applicable, acting singly and without any participation or approval by or from the Special Limited Partner. The Special Limited Partner shall not have the power or authority to bind the Partnership or to sign any agreement or document in the name of the Partnership. Notwithstanding anything to the contrary set forth in the Partnership Agreement, as amended hereby, and except with respect to the rights of withdrawal in this Addendum, the Special Limited Partner shall not assign, pledge or otherwise transfer its interest in the Partnership, in whole or in part, without the prior written consent of the General Partner and the Limited Partner.

7. Reports and Information.

(a) The General Partner shall deliver to the Special Limited Partner (i) copies of the Partnership's standard operating, leasing, financial and other reports, annual audited financial statements and tax returns (the "Reports") at the same time these items are required by the Limited Partner, (ii) within ten (10) business days of the date that such report is sent or received by the Partnership, as applicable, copies of all reports, notices or other communications received, prepared or delivered by the Partnership relating to compliance with the Affordability Restrictions, (iii) within ten (10) business days of receipt by the Partnership or the General Partner, copies of any notice of default from any lender, copies of any notice of default to the General Partner by the Limited Partner, and copies of noncompliance notices under Section 42 by CHFA, and (iv) copies of the operating, leasing, financial, and other reports at the same time these items are required by the Limited Partner. If the General Partner fails to provide such reports and other information as required by this Section 7(a), the Special Limited Partner may provide the General Partner written notice of default, and the General Partner shall owe the Special Limited Partner a $100 per day penalty payable to the Special Limited Partner beginning on the date Special Limited Partner provides notice of such default, until such reports and information are provided to the Special Limited Partner. The General Partner may deliver this information electronically by email to an address provided by the Special Limited Partner. To the extent that the Limited Partner withdraws as a partner of the Partnership or transfer its partnership interest to another, the Partnership shall continue to provide such Reports in the same quantity and frequency as were required to be provided as of the date of admission of the Limited Partner as a partner of the Partnership.

(b) Within ten (10) business days following a request from the General Partner, the Special Limited Partner will, as a courtesy, endeavor to deliver to the General Partner copies of all reports, notices or other communications received, prepared or delivered by the Special

Limited Partner relating to compliance with affordability restrictions applicable to the Project; provided that the General Partner has not otherwise been copied on such communication.

(c) The Partnership will provide the Special Limited Partner a complete set of executed (and as applicable, recorded) documents relating to the construction debt and equity financing closing of the Project (the "Closing Documents") within thirty (30) days after the date that that the Closing Documents have been provided to the Partnership. Upon the expiration of the foregoing delivery period, the Special Limited Partner may provide written notice to the Partnership, and the Partnership shall have ten (10) days to cure. Failure to provide the Closing Documents within ten (10) days after receipt of a written notice from the Special Limited Partner shall result in a $100 per day fee payable by the General Partner (and no other Partner of the Partnership) to the Special Limited Partner until the Closing Documents are provided to the Special Limited Partner.

8. Withdrawal and Purchase.

(a) Except as provided in this Section 8, the Special Limited Partner shall not be entitled to withdraw as a partner of the Partnership so long as the Project remains subject to, and complies with, the Affordability Restrictions described herein and the restrictions set forth in the Extended Use Agreement. Any termination of the Affordability Restrictions earlier than forty (40) years from the date of the Extended Use Agreement shall require the written consent of the Special Limited Partner.

(b) At the end of the fifteen (15) year Compliance Period and every three (3) years thereafter, the Special Limited Partner, the Limited Partner, and the Partnership will review the economic health of the Project and determine whether continuing the Tax Exemption for the subsequent years is needed for the Project to be financially viable. If the Special Limited Partner (in consultation from the General Partner and the Limited Partner) reasonably determines that the Tax Exemption is not needed for the Project to be financially viable, then the Special Limited Partner will have the option, but not the obligation, to withdraw as a partner of the Partnership after thirty (30) days prior written notice to the General Partner and Limited Partner. If the Special Limited Partner reasonably determines that the Tax Exemption is necessary for the financial viability of the Project, the Special Limited Partner will remain in the Partnership and the Partnership and the Special Limited Partner will negotiate a mutually acceptable annual payment (the "Annual Payment"). For the purposes of this Section 8(b), the term "financially viable" shall mean that the Project would still be able to achieve a 1.20 debt service coverage ratio after payment in full of applicable assessments and property taxes following the reduction or discontinuance of the Tax Exemption.

(c) In addition to the right of the Special Limited Partner to withdraw from the Partnership under Section 8(b) of this Addendum, the Special Limited Partner shall have the right to withdraw from the Partnership upon thirty (30) days written notice to General Partner and Limited Partner upon any of the following: (i) a material breach by the General Partner or the Partnership, as applicable, of any provisions of the this Addendum or the Partnership Agreement or related agreements of such entity, if such breach is not cured within thirty (30) days following written notice thereof to the General Partner and the Limited Partner or if such breach is not able to be cured within thirty (30) days then within sixty (60) days, so long as the General Partner is diligently pursuing a cure within the first thirty (30) day period; (ii) a failure of the Partnership to comply with the Extended Use Agreement and such failure is not cured within ninety (90) days following written notice thereof by CHFA to the such entity; (iv) a failure of the Partnership to maintain the Project in compliance with applicable laws or otherwise breaches applicable laws, and such failure is not cured within thirty (30) days following written notice thereof to the General Partner and Limited Partner or, if such breach is not able to be cured within thirty (30) days, then within sixty (60) days, so long as the General Partner is diligently pursuing a cure within the first thirty (30) day period; (v) the admission of a new general partner to the Partnership without the consent of the Special Limited Partner and the Limited Partner which is unrelated to General Partner, other than pursuant to the removal and replacement of such general partner pursuant to the Partnership Agreement; (vi) the refinancing of Partnership debt, unless the Special Limited Partner and the Limited Partner have consented to the refinancing, which consent shall not be unreasonably withheld if the General Partner establishes to the reasonable satisfaction of the Special Limited Partner and the Limited Partner that no proceeds of the refinancing shall be used to pay any fee, make any distribution to any partner or member of such entity or repay any loan to a partner or member of such entity (other than repayment of loans made by the general partner, as lender, to the Partnership, as borrower, to satisfy general partner construction completion or operating deficit guaranty obligations, which repayments are permitted so long as the Town has been paid at least $500,000 on any indebtedness owed by the Partnership to any affiliate of the Special Limited Partner as of the refinancing date, and the Project is anticipated to operate at a minimum 1.20 debt service coverage ratio after the closing and funding of such refinancing); (vii) a change in Colorado law that no longer permits the Special Limited Partner to provide a property tax exemption to the project; or (viii) an event of bankruptcy with respect to the Partnership.

(d) If the Special Limited Partner withdraws or terminates its interest as a partner of the Partnership as provided in 6(b), 8(b), or 8(c), the Partnership will pay the reasonable legal fees, costs and expenses incurred by the Special Limited Partner in connection with such withdrawal in addition to any unpaid Fees or other amounts owed to the Special Limited Partner under this Addendum.

(e) The General Partner, with the Consent of the Limited Partner, which consent shall not be unreasonably withheld, shall have the option to purchase the Special Limited Partner's interest in the Partnership upon the terms and conditions set forth below:

(i) Upon a material violation by the Special Limited Partner of the Partnership Agreement or the commission by the Special Limited Partner as a partner of the Partnership acts in a manner that constitutes gross negligence, fraud, or willful misconduct in connection with the Partnership or the Project, the General Partner shall provide written notice to the Special Limited Partner and Limited Partner of such violation. If, after a reasonable opportunity to do so, the Special Limited Partner has not cured such material violation, the General Partner shall have the option to purchase the interest of the Special Limited Partner in the Partnership. The purchase price for the Special Limited Partner's interest pursuant to this Section 8(e)(i) shall equal $100 plus the amount of the Special Limited Partner's Capital Account balance along with any accrued but unpaid amounts otherwise payable to the Special Limited Partner under the terms of this Addendum arising prior to the date of the material violation in question. Upon purchase of the Special Limited Partner's interest in the Partnership, the Special Limited Partner shall execute an amendment to the Partnership Agreement which is reasonably necessary and appropriate to evidence the Special Limited Partner's withdrawal from the Partnership, effective upon the date of such repurchase. The removal of the Special Limited Partner pursuant to this Section 8(e)(i) shall terminate the Right of First Refusal, as each is defined in the Right of First Refusal Agreement of even date herewith, in accordance with the terms of the Right of First Refusal Agreement.

(ii) If the Project no longer qualifies for the Tax Exemption, the General Partner shall have the option to purchase the interest of the Special Limited Partner in the Partnership. The purchase price for the Special Limited Partner's interest shall be equal to the Special Limited Partner's Capital Account balance at the time notice of the purchase is given plus any accrued but unpaid amounts otherwise payable to the Special Limited Partner under the terms of this Addendum. Upon purchase of the Special Limited Partner's interest in the Partnership, the Special Limited Partner shall execute an amendment to the Partnership Agreement which is reasonably necessary and appropriate to evidence the Special Limited Partner's withdrawal from the Partnership, effective upon the date of such repurchase. The removal of the Special Limited Partner pursuant to this Section 8(e)(ii) shall not terminate the Right of First Refusal, as each defined in the Right of First Refusal Agreement of even date herewith.

9. Right of First Refusal. The Special Limited Partner shall have a Right of First Refusal, as defined in that certain Right of First Refusal Agreement, of even date herewith, by and between the Partnership, the Special Limited Partner, and the General Partner.

10. Notices. The following is the address of the Special Limited Partner for notice purposes under this Addendum:

Town of Frisco
P.O. Box 4100
Frisco, Colorado 80443
Attention: Community Development Director

With a copy to:

Thad W. Renaud, Esq.
Murray Dahl Beery & Renaud LLP
710 Kipling Street, Suite 300
Lakewood, CO 80215

Copies of any notices provided by the Special Limited Partner to the General Partner shall be sent to the Limited Partner as the following address:

U.S. Bancorp Impact Finance
505 North Seventh Street, 10th Floor
SL-MO-T10F
St. Louis, MO 63101
USB Project No: 31728
Attn.: Director of LIHTC Asset Management
Phone: (314) 335-2600

and

U.S. Bancorp Impact Finance
505 North Seventh Street, 10th Floor

Mail Code: SL-MO-T10F
St. Louis, MO 63101
USB Project No: 31728
Attn.: Director of LIHTC Project Management
Phone: (314) 335-2600
and

Jill Goldstein, Esq.
Kutak Rock LLP
1650 Farnam Street
Omaha, NE 68102

11. Conflicts. If any provision of this Addendum conflicts with any provision of the Partnership Agreement or any document, the provisions of this Addendum shall be controlling in all respects. Except as specifically amended hereby, all of the terms and the provisions of the Partnership Agreement remain in full force and effect, without modification.

12. Governing Law. This Addendum shall be construed and enforced in accordance with the laws of the State of Colorado, without regard to principles of conflicts of laws.

13. Binding Agreement. This Addendum shall be binding on the parties hereto, and their heirs, executors, personal representatives, successors and assigns.

14. Headings. All headings in this Addendum are for convenience of reference only and are not intended to qualify the meaning of any provision of this Addendum.

15. Counterparts. This Addendum may be executed in several counterparts, each of which shall be deemed to be an original copy, and all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart.

16. Cure. Any default by the Partnership hereunder may be cured by the Limited Partner, and the Special Limited Partner shall accept (or reject) such cure as though it were made by the Partnership or by the General Partner.

17. Tax Allocations. Notwithstanding anything to the contrary herein or in the Partnership Agreement, the Partners intend that all allocations of income, gain, loss, deduction, and credit (the "Federal Tax Items") to the Special Limited Partner shall constitute "qualified allocations" within the meaning of Code section 168(h)(6)(B) and the Regulations promulgated thereunder. Accordingly, all provisions of this Addendum and of the Partnership Agreement shall be construed in a manner consistent with the Partners' intentions and the Special Limited Partner shall be allocated 0.01% of each Federal Tax Item at all times throughout the term of its partnership in the Partnership.

[*No further text on this page; signature page follows*.]

IN WITNESS WHEREOF, the parties have caused this Addendum to be duly executed as of the date first written above.

<u>GENERAL PARTNER</u>:

NHPF WEST MAIN GP, LLC, a Colorado limited liability company

By: The NHP Foundation, a District of Columbia non-profit corporation, as Managing Member

By:______________________________________
John M. Welsh, Senior Vice President

[*Signatures continue on following page.*]

<u>SPECIAL LIMITED PARTNER:</u>

FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY, a Colorado housing authority

By ____
Name: Elizabeth Skrzypczak-Adrian
Title: Vice Chairperson

[*Signatures continue on following page]*

LIMITED PARTNERS:

U.S. BANCORP COMMUNITY DEVELOPMENT CORPORATION, a Minnesota corporation

By: ________________________________
Name: Christopher Wiger
Title: Vice President

USB COLORADO STATE INVESTOR I, LLC, a Missouri limited liability company

By: U.S. Bancorp Community Development Corporation, its Managing Member

By: ______________________________
Name: Christopher Wiger
Title: Vice President

Signature Page to Addendum to Partnership Agreement

EXHIBIT A

GUARANTY

[Attached]

GUARANTY

THIS GUARANTY (this "*Guaranty*"), dated and effective as of [DATE], 2026, is made by and between WEST MAIN APARTMENTS LLLP, a limited liability limited partnership formed under the laws of the State of Colorado (the "Partnership"), and THE NHP FOUNDATION, a District of Columbia nonprofit corporation (the "Guarantor"), an affiliate of the General Partner, for the benefit of Frisco Community Housing Development Authority, a Colorado housing authority (the "Special Limited Partner") and to induce the Special Limited Partner to become a limited partner in the Partnership by entering into that certain Addendum (the "Addendum") to the Amended and Restated Agreement of Limited Liability Limited Partnership of the Partnership, as of even date herewith (the "Partnership Agreement"), and performing its obligations hereunder, all of which benefit the Guarantor.

Recitals

The Partnership was formed for the purpose of acquiring, owning, developing, constructing and/or rehabilitating, leasing, managing, operating, and, if appropriate or desirable, selling or otherwise disposing of a fifty-two (52) unit residential project in one (1) building located on one site in Frisco, Colorado (the "Project").

The Guarantor agrees to make each and every of the advances, and to guarantee payment and performance of all of the obligations under the Addendum of the Partnership or the General Partner to the Special Limited Partner, as set forth herein, subject to, and in accordance with, the terms and provisions set forth below.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

The Guarantor hereby absolutely and unconditionally guarantees payment and performance of all of the duties and obligations of the Partnership and the General Partner under the Addendum.

1. Intended Beneficiary. The parties intend that the Town of Frisco (the "Town"), and its successors and assigns, is a direct beneficiary of this Guaranty and that the Town and its affiliates shall have the right to directly enforce the Guarantor's obligations hereunder. No person other than the Special Limited Partner (and its successors and assigns), the Town and the parties to this Guaranty may directly or indirectly rely upon or enforce the provisions of this Guaranty, whether as a third party beneficiary or otherwise.

2. Burden and Benefit. This Guaranty and each covenant and agreement contained herein shall be binding upon Guarantor and its heirs, personal representatives, successors and assigns and shall inure to the benefit of the Special Limited Partner and its respective successors and assigns. The Guarantor shall not have the right to assign its obligations hereunder without the Consent of the Special Limited Partner.

3. Severability of Provisions. Each provision of this Guaranty shall be considered severable, and if for any reason any provision that is not essential to the effectuation

of the basic purposes of this Guaranty is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Guaranty that are valid.

4. No Continuing Waiver. None of the parties hereto shall be deemed to have waived any rights hereunder unless such waiver shall be in writing and signed by such party. The waiver by any party of any breach of this Guaranty shall not operate or be construed to be a waiver of any subsequent breach.

5. Defined Terms. Terms used in this Guaranty with initial capital letters and not otherwise defined in the Partnership Agreement shall have the meanings set forth herein.

6. Governing Law. This Guaranty shall be construed and enforced in accordance with the laws of the State of Colorado, without regard to principles of conflicts of laws, and cannot be modified, amended or terminated orally.

7. Headings. All headings in this Guaranty are for convenience of reference only and are not intended to qualify the meaning of any provision of this Guaranty.

8. Terminology. All personal pronouns used in this Guaranty, whether used in the masculine, feminine, or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

9. Counterparts. This Guaranty may be executed in several counterparts, including electronic counterparts (such as facsimile or .pdf), each of which shall be deemed to be an original, and all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all of the parties shall not have signed the same counterpart.

10. Payment and Performance Guaranty. Guarantor hereby agrees that this is a Guaranty of payment and performance, not collection, and that this Guaranty is an unconditional, irrevocable primary guaranty and may be enforced by any of Special Limited Partner or the Town directly against Guarantor without first resorting to or exhausting any other right or remedy; provided, however, that nothing herein contained shall prevent the Special Limited Partner or the Town from suing to enforce the provisions of the Partnership Agreement or from exercising any rights thereunder. Guarantor agrees and confirms that its liability hereunder shall not be affected, impaired, or reduced in any way by any action taken under the foregoing provisions, or any other provisions hereof, or by any delay, failure or refusal of the Partnership or any Partner to exercise any right or remedy it may have against the General Partner or any other person, firm or corporation, including other guarantors, if any, liable for all or any part of the obligations guaranteed hereby.

11. Joint and Several. The obligations under the term of this Guaranty are joint and several obligations of the Guarantor.

12. <u>No Discharge.</u> The Guarantor acknowledges that all of its obligations under this Guaranty are primary, absolute, irrevocable and unconditional and that, except as set forth below, its liability shall not be limited or affected by any release or discharge of the General Partner or any other guarantor, whether by operation of law or otherwise, by withdrawal or removal of the General Partner as a partner in the Partnership or by any other legal or factual matter, unless and until all guarantied obligations have been paid and performed in full, regardless of whether or not Notice has then been given to the Guarantor. In amplification, and not in limitation, of the provisions set forth above, the Guarantor hereby waives and agrees not to assert or take advantage of:

(a) any right to require the Special Limited Partner to proceed against any other person or to proceed against or exhaust any security held by the Special Limited Partner at any time or to pursue any other remedy in the Special Limited Partner's power before proceeding against the Guarantor;

(b) the defense of the statute of limitations in any action hereunder or in any action for the collection or the performance of any obligations guaranteed hereby;

(c) any defense that may arise by reason of the incapacity, lack of authority, death or disability of any other person or persons or the failure of the General Partner, Partnership or any Partner to file or enforce a claim against the estate (in administration, bankruptcy or any other proceeding) of any other person or persons;

(d) any defense based upon an election of remedies by the Special Limited Partner, or the right of Guarantors to proceed against the Partnership or any Partner; and

(e) any duty or obligation on the part of the Special Limited Partner, Partnership or any Partner to perfect, protect, not impair, retain or enforce any security for the payment of the obligations guaranteed hereby.

13. **Notice**. Notice to the parties hereto shall be given in the manner and (where applicable) to the addresses specified in Exhibit A-6 of the Partnership Agreement, as the same may be amended from time to time by Notice to the parties hereto. Notices to the Partnership shall be sent in care of the General Partner of the Partnership, with a copy sent simultaneously to the Limited Partner. Notices to Guarantor shall be sent to:

The NHP Foundation
122 East 42nd Street, Suite 4900
New York, New York 10168
Attention: John M. Welsh

14. <u>Collection</u>. Guarantor agrees that, in the event this Guaranty is placed in the hands of an attorney for enforcement following notice of demand for payment as required herein, Guarantor will reimburse the Special Limited Partner for all expenses incurred in enforcing this Guaranty, and in enforcing the rights under the Partnership Agreement, including, without limitation, reasonable attorneys' fees and expenses (whether or not suit is brought hereon) and all such expenses incurred in connection with any trial, appeal, arbitration or bankruptcy proceedings. All amounts which are not timely paid by Guarantor shall bear interest from and after the date due until paid at two percent (2%) in excess of the from time to time prime rate of interest of U.S. Bank National Association.

15. <u>Defenses Not Valid</u>. Guarantor further agrees that the validity of this Guaranty and the obligations of Guarantor hereunder shall in no way be terminated, affected, or impaired (a) by reason of the assertion by the Partnership or any Partner thereof of any rights or remedies under or with respect to the Partnership Agreement, or any other instruments executed in connection therewith, against any Person obligated thereunder, (b) by reason of any failure to exercise, or delay in exercising, any such right or remedy or any right or remedy hereunder or in respect to this Guaranty, or (c) by reason of the adjudication in bankruptcy of this Guaranty or any guarantor hereunder, or the filing of a petition for any relief under any federal, state, or local bankruptcy law by any such Person.

16. <u>Continuing Guaranty.</u> It is expressly understood and agreed that this is a primary, continuing guaranty and that the obligations of Guarantor hereunder are and shall be absolute under any and all circumstances, without regard to the validity, regularity or enforceability of the Partnership Agreement, any other instruments executed in connection therewith or otherwise in connection with the Project.

17. <u>Certain Waivers</u>. To the extent permitted by law, Guarantor hereby waives notice of the acceptance hereof, presentment, demand for payment, protest, notice of protest and any and all notices of nonpayment, non-performance, non-observance, and all other notices of any kind, and other proof, and notice of demand, and Guarantor hereby waives all suretyship defenses and defenses in the nature thereof.

18. <u>Default</u>. If Guarantor shall fail or refuse to perform or continue performance of any or all of Guarantor's obligations under this Guaranty, then the Special Limited Partner may have the right to take all necessary action to cause payment or performance of any obligation(s) guaranteed hereunder to be performed and/or paid and to take any other actions necessary or advisable to cure the Guarantor's default hereunder, either before or after the exercise of any other remedy. The amounts of any and all expenditures and advances so made by the Special Limited Partner shall be due and payable by Guarantor immediately upon the incurrence or advancement thereof and, if not then paid, shall bear interest at two percent (2%) above the from time to time prime rate of U.S. Bank National Association and shall be an additional amount guaranteed hereunder.

19. Subrogation**.** Guarantor agrees that Guarantor shall have no right of subrogation or any right of contribution against any other party unless and until all amounts due to the Special Limited Partner have been paid in full and all other obligations under the Partnership Agreement have been satisfied.

IN WITNESS WHEREOF, the parties have executed this Guaranty as of the date first above written.

PARTNERSHIP:

WEST MAIN APARTMENTS LLLP, a Colorado limited liability limited partnership
By: NHPF West Main GP, LLC, a Colorado limited liability company
Its: General Partner

By: The NHP Foundation, a District of Columbia non-profit corporation, as Managing Member

By:___________________________________
John M. Welsh, Senior Vice President

GUARANTOR:

THE NHP FOUNDATION, a District of Columbia non-profit corporation

By:___________________________________
John M. Welsh, Senior Vice President

<u>EXHIBIT B</u>

RIGHT OF FIRST REFUSAL

[Attached]

RIGHT OF FIRST REFUSAL AGREEMENT

THIS RIGHT OF FIRST REFUSAL AGREEMENT (this "Agreement") is made as of the [______] day of [___________], 2026, by and among WEST MAIN APARTMENTS LLLP, a Colorado limited liability limited partnership (the "Partnership"), NHPF WEST MAIN GP, LLC, a Colorado limited liability company (the "General Partner"), and FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY, a Colorado housing authority (the "Special Limited Partner").

WHEREAS, the Partnership has been formed to develop, finance and operate the property, which will consist of a fifty-two (52) unit housing complex in Frisco, Colorado, all units of which will be affordable units intended to benefit low-income individuals in the Town of Frisco (collectively, the "Property");

WHEREAS, the General Partner, as general partner of the Partnership, and one or more other parties, concurrently with the execution and delivery of this Agreement, are entering into that certain Amended and Restated Agreement of Limited Liability Limited Partnership of the Partnership dated as of the date hereof (the "Partnership Agreement");

WHEREAS, the Special Limited Partner is an housing authority under the laws of the State of Colorado and has been admitted as a partner of the Partnership pursuant to that certain Addendum to Amended and Restated Agreement of Limited Liability Limited Partnership, dated as of the date hereof (the "Addendum");

WHEREAS, the Special Limited Partner, by virtue of its status as a Colorado housing authority, anticipates that its participation in the ownership of the Partnership will permit a sales and use tax exemption during construction and a property tax exemption (the "Tax Exemptions") to the extent available under C.R.S. § 29-4-227, which will provide significant financial assistance to the Partnership;

WHEREAS, the Property is or will be subject to one or more governmental agency regulatory agreements (collectively, the "Regulatory Agreement") restricting the use of certain units to low income housing (the "Use Restrictions");

WHEREAS, to induce the Special Limited Partner to participate as a partner in the Partnership and as a condition precedent to entering into the Addendum, the Special Limited Partner and the General Partner have negotiated and required that the Partnership execute and deliver this Agreement; and

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meanings attributed thereto, in the Partnership Agreement.

NOW, THEREFORE, in consideration of the execution and delivery of the Addendum by the Special Limited Partner, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Right of First Refusal.

The Partnership hereby grants to the Special Limited Partner a right of first refusal to purchase the Property for the price and subject to the other terms and conditions set forth below.

2. Exercise of Refusal Right; Purchase Price.

(a) The Partnership agrees that it will not sell the Property or any portion thereof to any Person (other than to The NHP Foundation, a District of Columbia nonprofit corporation ("NHP"), or any affiliate controlled by or under common control of NHP, including pursuant to that purchase option in Section 14.2 of the Partnership Agreement or that right of first refusal in Section 14.3 of the Partnership Agreement, each of which is expressly permitted and is senior to the rights granted to the Special Limited Partner by this Agreement) without the prior written consent of the Limited Partner and without first offering the Property to the Special Limited Partner upon the same price and terms and conditions as are set forth in the First Offer (the "First Refusal Right"); provided, however, that such First Refusal Right shall be conditioned upon the receipt by the Partnership of a bona fide offer that the Partnership is willing to accept (the "First Offer"). An offer to purchase the general partner interest or a controlling interest of the partnership interests in the Partnership (other than a sale to a partner of the Partnership or any affiliate controlled by or under common control with a partner of the Partnership, which sale is expressly permitted and is not subject to this Agreement) shall similarly trigger a right of first refusal similar to the First Refusal Right with respect to such interest; provided however, that any transfers of the Limited Partner's interests to a third-party during the Tax Credit Compliance Period shall not trigger any rights of the Special Limited Partner hereunder.

(b) The Partnership shall give written notice of its receipt of such offer (the "First Offer Notice"), along with all related terms, to the Special Limited Partner. Upon receipt by the Special Limited Partner of the First Offer Notice, the Special Limited Partner shall have sixty (60) days to deliver to the Partnership and its partners a written notice of its intent to exercise the Refusal Right (the "First Acceptance Notice") for a purchase price equal to the price set forth in the First Offer. If the Special Limited Partner delivers the First Acceptance Notice in accordance with the provisions of this Section 2(b), then the Partnership and the Special Limited Partner shall, within sixty (60) days (the "First Negotiating Period") in good faith attempt to agree on a definitive purchase and sale agreement based on the same terms contained in the First Offer. If the Special Limited Partner does not deliver its First Acceptance Notice in accordance with the provisions of this Section 2(b), or if the Partnership and the Special Limited Partner fail to reach agreement on a definitive purchase and sale agreement during the First Negotiating Period and either the Partnership or the Special Limited Partner terminate further negotiations by notice to the other, then the Partnership shall be permitted to sell the Property pursuant to the First Offer and this Agreement shall terminate and be of no further force or effect. However, in the event the Partnership has not entered into a third-party purchase contract within 365 days, then the First Refusal Right shall be reinstituted, subject to the First Offer rights set forth herein. This First Refusal Right shall continue without regard to whether the Special Limited Partner is a Special

Limited Partner of the Partnership; however, if the General Partner has purchased the Special Limited Partner's interest in the Partnership pursuant to Section 8(e)(i) of the Addendum, this First Refusal Right shall be deemed to have terminated upon the General Partner's acquisition of the Special Limited Partner's interest in the Partnership.

(c) In the event that the General Partner or an affiliate controlled by or under common control with the General Partner (a "General Partner Affiliate") acquires the Project from the Partnership, the General Partner agrees that it will not sell the Project or any portion thereof (or allow the Project or any portion thereof to be sold) to any Person, other than a General Partner Affiliate, without first offering the Project to the Special Limited Partner at the same price and terms as are set forth in the Second Offer (the "Second Refusal Right" and together with the First Refusal Right, the "Right of First Refusal"); provided, however, that such Second Refusal Right shall be conditioned upon the receipt by the General Partner or the General Partner Affiliate of a bona fide offer that it is willing to accept (the "Second Offer"). The General Partner or the General Partner Affiliate receiving the Second Offer shall give written notice of its receipt of such offer (the "Second Offer Notice"), along with all related terms, to the Special Limited Partner. Upon receipt by the Special Limited Partner of the Second Offer Notice, the Special Limited Partner shall have sixty (60) days to deliver to the General Partner or the General Partner Affiliate a written notice of its intent to exercise the Refusal Right (the "Second Acceptance Notice") for a purchase price equal to the price set forth in the Second Offer. If the Special Limited Partner delivers the Second Acceptance Notice in accordance with the provisions of this Section 2(c), then the General Partner (or the General Partner Affiliate) and the Special Limited Partner shall, within sixty (60) days (the "Second Negotiating Period") in good faith attempt to agree on a definitive purchase and sale agreement based on the same terms contained in the Second Offer. If the Special Limited Partner does not deliver its Second Acceptance Notice in accordance with the provisions of this Section 2(c), or if the General Partner (or the General Partner Affiliate) and the Special Limited Partner fail to reach agreement on a definitive purchase and sale agreement during the Second Negotiating Period and either the General Partner (or the General Partner Affiliate) or the Special Limited Partner terminate further negotiations by notice to the other, then the General Partner (or the General Partner Affiliate) shall be permitted to sell the Project pursuant to the Second Offer and this Agreement shall terminate and be of no further force or effect. However, in the event the General Partner (or the General Partner Affiliate) has not entered into a third-party purchase contract within 365 days, then the Second Refusal Right shall be reinstituted, subject to the Second Offer rights set forth herein. This Second Refusal Right shall continue without regard to whether the Special Limited Partner is a Special Limited Partner of the Partnership. However, if the General Partner has purchased the Special Limited Partner's interest in the Partnership pursuant to Section 8(e)(i) of the Addendum, this Second Refusal Right shall be deemed to have terminated upon the General Partner's acquisition of the Special Limited Partner's interest in the Partnership.

(d) The Special Limited Partner shall, at the request of the Partnership and/or the General Partner, execute (in recordable form) any instruments or other documents as may be reasonably necessary to memorialize the termination or expiration of this Agreement in accordance with its terms, including such documents as may be necessary to satisfy the third party purchaser and the title insurance company that the Right of First Refusal does not apply.

(e) If the Partnership, the General Partner, or the General Partner Affiliate, as applicable, take steps to market the Project for sale, the Partnership, the General Partner, or the

General Partner Affiliate, as applicable, shall provide the Special Limited Partner with written notice of such efforts and copies of all marketing and due diligence materials assembled and/or disseminated in connection with such marketing effort.

3. Subordination to Project Loans and Use Restrictions. The rights of the Special Limited Partner to purchase the Project pursuant to this Agreement and the Right of First Refusal will be subject and subordinate in all respects to the terms and conditions of all loan documents encumbering the Project, other than those loan documents evidencing any loan in which the General Partner or a General Partner Affiliate is the Lender, and shall also be subject and subordinate to any documents related to the Use Restrictions.

4. Completion of Sale.

(a) At the closing (the "Closing") of the sale of the Project or the Partnership interests following exercise of the First Refusal Right or the Second Refusal Right, the Partnership, the General Partner, or the General Partner Affiliate, as applicable, shall cause a title company to issue, at the Special Limited Partner's cost, an ALTA owner's policy of title insurance dated as of the Closing (or a non-imputation endorsement in the case of the acquisition of Partnership interests) (the "Title Policy"), in an amount equal to the purchase price for the Project, showing the fee interest in the Project vested in the Special Limited Partner and showing as exceptions all encumbrances of record.

(b) The Partnership, the General Partner, or the General Partner Affiliate, as applicable, shall use all reasonable efforts to obtain the consent to the sale by the holders of any mortgages or deeds of trust on the Project, if required. The Partnership, the General Partner, or the General Partner Affiliate, as applicable, shall convey the Project or the Partnership interests, as applicable, to the Special Limited Partner by the same means first conveyed to the Partnership, General Partner or the General Partner Affiliate, or by a special warranty deed or an assignment and assumption agreement with comparable warranties. The costs of such sale, other than the Title Policy, shall be apportioned between, on the one hand, the Partnership, the General Partner, or the General Partner Affiliate, as applicable, and the Special Limited Partner on the other hand, according to the custom then in effect in Frisco, Colorado; provided, however, that the Special Limited Partner shall pay any and all deed recording or other transfer taxes payable upon the transfer of the Project.

6. Termination. Upon any of the events terminating the Special Limited Partner as a member of the Partnership under Section 8(e)(i) of the Addendum, the Right of First Refusal shall be automatically terminate and be of no further force and effect.

7. Notices. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by depositing same with a nationally recognized overnight delivery service such as Federal Express for next business day delivery ("Overnight Delivery") or by depositing same in the United States mail, postage prepaid, registered or certified mail, return receipt requested, addressed as follows:

If to the Partnership: West Main Apartments LLLP
c/o The NHP Foundation
Development Corporation
122 East 42nd Street, Suite 4900
New York, New York 10168
Attention: John M. Welsh

If to the General Partner: NHPF West Main GP, LLC
c/o The NHP Foundation
Development Corporation
122 East 42nd Street, Suite 4900
New York, New York 10168
Attention: John M. Welsh

with a copy to:

New Communities Law PLLC
1624 Market St., Suite 400
Denver, Colorado 80202
Attention: Ben Doyle, Esq.

and

U.S. Bancorp Community Development Corporation
U.S. Bancorp Impact Finance
505 North Seventh Street, 10th Floor
Mail Code: SL-MO-T10F
St. Louis, MO 63101
USB Project No: 31728
Attn.: Project Manager

With a copy to:
Jill Goldstein, Esq.
Kutak Rock LLP
1650 Farnam Street
Omaha, NE 68102
Phone: (402) 346-6000
Fax: (402) 346-1148

If to the Special Limited Partner:

Frisco Community Housing Development Authority
c/o Town of Frisco
P.O. Box 4100
Frisco, Colorado 80443
Attention: Community Development Director

with a copy to:

Thad W. Renaud, Esq.
Murray Dahl Beery & Renaud LLP
710 Kipling Street, Suite 300
Lakewood, CO 80215

All notices shall be effective upon such personal delivery, upon being deposited in overnight delivery, in the United States mail as required above. However, with respect to notices so deposited in overnight delivery or the United States mail, the time period in which a response to any such notice, demand or request must be given shall commence to run from the next business day following any such deposit in overnight delivery, in the case of a deposit in the United States mail as provided above, the date on the return receipt of the notice reflecting the date of delivery or rejection of the same by the addressee thereof. By giving to the other parties hereto at least fifteen (15) days' written notice in accordance with the provisions hereof, a party may change its address for notice purposes.

8. Attorney's Fees. In the event of any action or proceeding at law or in equity between the Partnership, the General Partner, or General Partner Affiliate, as applicable, and the Special Limited Partner to enforce any provision of this Agreement or to protect or establish any right of remedy of any party hereunder, the unsuccessful party to the litigation shall pay to the prevailing party all costs and expenses, including, without limitation, reasonable attorneys' fees incurred therein by the prevailing party, and if the prevailing party recovers judgment in any action or proceeding, the costs, expenses and attorneys' fees shall be included in and as part of the judgment.

9. Assignment. The Special Limited Partner may assign this Agreement or any of its respective rights hereunder to a wholly-owned affiliated entity or instrumentality of the Special Limited Partner.

10. Miscellaneous.

(a) This Agreement shall be construed in accordance with the laws of the State of Colorado. This Agreement may be executed in counterparts or counterpart signature pages, which together shall constitute a single agreement. The Partnership, the General Partner, the Special Limited Partner, and the Special Limited Partner each represents and warrants that each has not had or will not have any dealings with any person, firm, broker or finder in connection with the negotiation of this Agreement and/or the consummation of the transactions contemplated hereby. Each party hereto hereby agrees to indemnify and hold harmless the other party from and against costs, expenses of liabilities for compensation, commissions or charges which may be claimed by any broker, finder or similar party by reason of any actions of the indemnifying party.

(b) The rights and obligations of the Partnership, the General Partner, and the Special Limited Partner under this Agreement shall inure to the benefit of, and bind, their respective successors and permitted assigns.

(c) The captions used herein are for convenience of reference only and are not part of this Agreement and do not in any way limit or amplify the terms and provisions hereof.

(d) Time is of the essence of each and every agreement, covenant and condition of this Agreement.

(e) This Agreement constitutes the entire agreement among the Partnership, the General Partner, and the Special Limited Partner with respect to the subject matter hereof, and supersedes all prior offers and negotiations, oral and written. This Agreement may not be amended or modified in any respect whatsoever except by an instrument in writing signed by the Partnership, the General Partner, and the Special Limited Partner.

[Remainder of Page Intentionally Left Blank]

In Witness Whereof, the parties have executed this document as of the date first set forth hereinabove.

PARTNERSHIP:

WEST MAIN APARTMENTS LLLP, a Colorado limited liability limited partnership

NHPF WEST MAIN GP, LLC, a Colorado limited liability company

By: The NHP Foundation, a District of Columbia non-profit corporation, as Managing Member

By:__________________________
John M. Welsh, Senior Vice President

GENERAL PARTNER:

NHPF WEST MAIN GP, LLC,
a Colorado limited liability company

By: The NHP Foundation, a District of Columbia non-profit corporation, as Managing Member

By:__________________________
John M. Welsh, Senior Vice President

SPECIAL LIMITED PARTNER:

FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY, a Colorado limited liability company

By: ___________________________

Its: ___________________________

EXHIBIT A

LEGAL DESCRIPTION OF
REAL ESTATE

HOUSING UNIT, 101 WEST MAIN SMALL PLANNED COMMUNITY, ACCORDING TO THE PLANNED COMMUNITY DECLARATION RECORDED _________, 2026 IN THE OFFICE OF THE CLERK AND RECORDER OF SUMMIT COUNTY, COLORADO, AT RECEPTION NO. __________, AND THE PLANNED COMMUNITY MAP FOR 101 WEST MAIN SMALL PLANNED COMMUNITY RECORDED _________, 2026 IN SUCH OFFICE AT RECEPTION NO. _________, AS AMENDED AND SUPPLEMENTED FROM TIME TO TIME AS PERMITTED UNDER SUCH DECLARATION.

EXHIBIT C

MEMORANDUM OF RIGHT OF FIRST REFUSAL AGREEMENT

[Attached]

Space above for Recorder's use.

MEMORANDUM OF

RIGHT OF FIRST REFUSAL AGREEMENT

THIS MEMORANDUM OF RIGHT OF FIRST REFUSAL AGREEMENT (this "Memorandum") is entered into effective the [______] day of [___________], 2026, by and among WEST MAIN APARTMENTS LLLP, a Colorado limited liability limited partnership (the "Partnership"), NHPF WEST MAIN GP, LLC, a Colorado limited liability company (the "General Partner"), and FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY, a Colorado housing authority (the "Special Limited Partner").

A. The Partnership leases that certain real property located in Frisco, Colorado, and legally described in the Exhibit A attached hereto (the "Project"), upon which the Partnership intends to develop, finance, and operate a fifty-two (52) unit affordable property intended to qualify for low income housing tax credits (collectively, the "Project").

B. Pursuant to that certain Right of First Refusal Agreement dated on or about the date hereof (the "Right of First Refusal Agreement "), each of the Partnership and the General Partner (collectively, in such capacity, the "Grantors") have granted to the Special Limited Partner (in such capacity, the "Grantee") a right of first refusal (the "Right of First Refusal") to purchase the Project and certain interests in the Partnership on terms and conditions set forth in the Right of First Refusal Agreement.

C. Nothing herein shall be construed to amend, modify, change, alter, amplify, interpret or supersede any of the terms and provisions of the Right of First Refusal Agreement, which shall in all things control.

D. All of the terms and conditions of the Right of First Refusal Agreement are incorporated by reference into this Memorandum as if set forth fully herein at length.

E. This Memorandum may be executed in counterparts, each of which shall be deemed an original but together shall constitute one and the same instrument.

This instrument was drafted by:
Winthrop & Weinstine, P.A.
225 South Sixth Street, Suite 3500
Minneapolis, MN 55402

[THE REMAINDER OF THIS PAGE HAS BEEN LEFT BLANK INTENTIONALLY. SIGNATURES BEGIN ON THE NEXT PAGE.]

In Witness Whereof, each of the parties hereto has caused this Memorandum of Right of First Refusal Agreement to be duly executed effective as of the date first above written.

PARTNERSHIP:

WEST MAIN APARTMENTS LLLP,
a Colorado limited liability limited partnership

NHPF WEST MAIN GP, LLC,
a Colorado limited liability company

By: The NHP Foundation,
a District of Columbia non-profit corporation,
as Managing Member

By:___________________________
John M. Welsh, Senior Vice President

STATE OF ___________)
) ss.:
COUNTY OF ___________)

This instrument was acknowledged before me on or about this __________ __, 2026 by John M. Welsh, Senior Vice President of The NHP Foundation, managing member of NHPF West Main GP, LLC, general partner of West Main Apartments, LLLP.

Notary Public

____

My commission expires: _______________________

GENERAL PARTNER:

NHPF WEST MAIN GP, LLC,
a Colorado limited liability company

By: The NHP Foundation,
a District of Columbia non-profit corporation,
as Managing Member

By:___________________________
John M. Welsh, Senior Vice President

STATE OF COLORADO)
) ss.:
COUNTY OF ___________)

This instrument was acknowledged before me on or about this __________ __, 2026 by John M. Welsh, Senior Vice President of The NHP Foundation, managing member of NHPF West Main GP, LLC, general partner of West Main Apartments, LLLP.

Notary Public

____

My commission expires: ________________

SPECIAL LIMITED PARTNER:

FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY, a Colorado housing authority

By: ___________________________

Its: ___________________________

STATE OF COLORADO)
) ss.:
COUNTY OF SUMMIT)

This instrument was acknowledged before me on or about this __________ __, 2026 by _______, ________________________, of the Frisco Community Housing Development Authority.

Notary Public

____

My commission expires: ________________

<u>EXHIBIT A</u>

LEGAL DESCRIPTION OF
<u>REAL ESTATE</u>

HOUSING UNIT, 101 WEST MAIN SMALL PLANNED COMMUNITY, ACCORDING TO THE PLANNED COMMUNITY DECLARATION RECORDED _________, 2026 IN THE OFFICE OF THE CLERK AND RECORDER OF SUMMIT COUNTY, COLORADO, AT RECEPTION NO. __________, AND THE PLANNED COMMUNITY MAP FOR 101 WEST MAIN SMALL PLANNED COMMUNITY RECORDED _________, 2026 IN SUCH OFFICE AT RECEPTION NO. _________, AS AMENDED AND SUPPLEMENTED FROM TIME TO TIME AS PERMITTED UNDER SUCH DECLARATION.

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FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY
TOWN OF FRISCO
COUNTY OF SUMMIT
STATE OF COLORADO
RESOLUTION NO: FCHDA 26-01

A RESOLUTION APPROVING AN ADDENDUM TO THE AMENDED AND RESTATED AGREEMENT OF LIMITED LIABILITY LIMITED PARTNERSHIP OF WEST MAIN APARTMENTS LLLP, TO ALLOW THE FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY TO ACQUIRE A SPECIAL LIMITED PARTNERSHIP INTEREST IN WEST MAIN APARTMENTS LLLP, IN ORDER TO FACILITATE AN AFFORDABLE HOUSING DEVLOPMENT TO BE CONSTRUCTED AT 101 WEST MAIN STREET.

WHEREAS, the Town Council of the Town of Frisco (the "Town") created the Frisco Community Housing Development Authority (the "Authority") pursuant to Resolution No. 22, Series 2023, for purposes of undertaking and carrying out the development of additional safe and sanitary dwelling accommodations in Town;

WHEREAS, West Main Apartments LLLP, a Colorado limited liability limited partnership (the "Owner"), intends to acquire, construct, rehabilitate, lease, operate, manage and own an affordable housing development and related real and personal property located at or about 101 Main Street, Frisco, Colorado;

WHEREAS, the Authority desires to acquire a special limited partnership interest (the "Special Interest") in Owner in accordance with the Amended and Restated Agreement of Limited Partnership of Owner (the "Partnership Agreement") and related Addendum to Amended and Restated Agreement of Limited Partnership (the "Addendum"), whereupon consummation of the transaction contemplated therein, the Authority will become a special limited partner of Owner (the "Partnership Admission"); and

WHEREAS, the Authority has determined that it is in the best business and pecuniary interest of the Authority to enter into the Partnership Agreement and consummate the Partnership Admission.

NOW, THEREFORE, BE IT RESOLVED BY THE FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY THAT:

Section 1. Approval of Addendum for Partnership Admission. The attached ADDENDUM TO AMENDED AND RESTATED AGREEMENT OF LIMITED LIABILITY LIMITED PARTNERSHIP OF WEST MAIN APARTMENTS LLLP is in all respects approved, authorized, and confirmed, and the Chairperson or Vice Chairperson (each an "Authorized Representative") of the Authority is hereby authorized and directed for and on behalf of the Authority to execute and deliver the Addendum in the form attached hereto and, further, the Chairperson, Vice Chairperson and other appropriate officials or employees of the Authority are hereby authorized to execute and deliver for and on behalf of the Authority any and all certificates, documents, instruments, and other papers and to perform all other acts that they deem necessary or appropriate, in order to implement and carry out the transactions and other matters authorized by this Resolution and the attached Addendum. The Town Clerk is hereby authorized and directed to attest all signatures and acts of any official of the Town or the Authority, if so required by any documents in connection with the matters authorized by this Resolution and the Addendum.

Section 2. Additional Authorization. The Authorized Representative is hereby authorized and empowered to cause the Authority for itself and on behalf of the Authority, as applicable, to perform their respective obligations under the Partnership Admission Documents and to take such other actions as the Authority for itself and on behalf of the Authority deems necessary, appropriate, or desirable in connection with such performance.

Section 3. Prior Actions Ratified. Any and all actions regarding the Partnership Admission Documents and relating thereto, by or on behalf of the Authority for itself or on behalf of the Authority, prior to the adoption of these resolutions, be and are in all respects ratified, approved and confirmed.

Section 4. Effect of Resolution. The foregoing resolutions are in addition to, and do not limit and shall not be limited by, any resolutions heretofore or hereafter adopted by the Frisco Community Housing Development Authority for the conduct of the business necessary to enable the execution of the Partnership Admission Documents and any additional documents that may be required thereto, and the foregoing resolutions shall continue in force and effect until express written notice of their prospective rescission or modification as to future transactions that have not been undertaken or committed for has been received by the parties to the Partnership Admission Documents.

Section 5. Effective Date. This Resolution shall take effect immediately upon its adoption on July 14, 2026.

FRISCO COMMUNITY HOUSING DEVELOPMENT AUTHORITY:

____
Elizabeth Skryzpczak-Adrian, Vice Chair

(SEAL)

ATTEST:

____
Stacey Campbell, Frisco Town Clerk